

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended
31 December 2010



Company Registration No 06025920

Premier Fleet Management and Contract Hire Limited

DIRECTORS AND OFFICERS

DIRECTORS

J G Bateson
S J Staton
A D Richman
S J Roff

SECRETARY

A D Richman

COMPANY NUMBER

06025920 (England and Wales)

REGISTERED OFFICE

Masters House
107 Hammersmith Road
London W14 0GH

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

The directors submit their report and the group financial statements of Premier Fleet Management and Contract Hire Limited ("Premier") for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The principal activity of the group during the year was that of the provision of fleet management services, total outsourcing solutions and contract hire within the automotive industry

REVIEW OF THE BUSINESS

The Directors are satisfied with the results of the group, which are disclosed in the profit and loss account on page 7 of the financial statements

As economic uncertainty remained during 2010 the group saw clients extending the lives of vehicles rather than renewing them as companies continued to defer decisions on new vehicles. This combined with the pressure on funders to control their exposure in the contract hire sector placed stress on many of the traditional income sources for the group

However, the Directors are delighted to announce that despite these difficult trading conditions the group hit all of its financial targets for 2010, reporting an operating profit of £706,897 (2009 £439,701), EBITDA of £3,732,408 (2009 £3,363,966) and ending the year with £1,888,975 cash at bank (2009 £1,185,131)

Operationally the company's continued focus on "Customer First" resulted in a number of contract wins during 2010, including a significant contract win for the "Venson Advantage" salary sacrifice scheme that will start to contribute revenue in 2011

The public sector businesses in Hertfordshire and Nottinghamshire continue to contribute to the group's overall results. The Directors fully understand the difficulties faced in this sector following the recent public sector spending review and will be working closely with our business partners to achieve savings without impacting on service levels

In December the Directors received confirmation that Dermot Desmond proposed to restructure his investment in Premier. As a result of this restructure Bottin (International) Investments Limited has subscribed to £4 million of additional equity in the company by way of the issue of 8 additional £1 ordinary shares at a price of £500,000 per share. The proceeds of this share issue have been utilised to repay £4,000,000 of the loan from Bottin (International) Investments BV

In addition £1,500,000 of interest, in relation financial years 2007, 2008, 2009 and 2010, accrued but not paid on the Bottin (International) Investments BV loan has been waived and has been credited back to the profit and loss account in the year

Following this restructure the Directors of Premier Fleet Management and Contract Hire Limited subscribed for £4,450,000 of additional equity in Venson Automotive Solutions Limited ("VAS") by way of the issue of £1,000 additional £1 ordinary shares at a price of £4,450 per share. This increase in equity was settled by the cancellation of loans outstanding from VAS for the same amount

Full details of the financial impact of these transactions are shown the notes to these financial statements

Going concern

Included within creditors due after one year is an amount of £6,151,628 (2009 £11,188,404) due to Bottin (International) Investments BV ("Bottin BV"). The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate controlling party of Bottin BV, has agreed to provide financial support should it be required, to enable the group to meet its external obligations as and when they fall due

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

Going concern (Continued)

As a result of the current trading profitability of the group, combined with the continued support of Bottin BV and Dermot Desmond, the directors are satisfied of the group's future trading position and consider it appropriate to prepare these accounts on a going concern basis

Principal risks

The nature of the group's business is to provide risk transfer fixed price rentals for vehicles to private and public sector customers. The principal risk associated with the business is in the repurchase valuations "residual values" set at the outset of each contract. Residual values are set using industry market tools and analysis of vehicle types within the market place. Constant review of the market, guide prices and current disposal performance allows the business to mitigate its risk.

Key performance indicators

Premier Fleet Management and Contract Hire Limited ("Premier"),
Gross margin 47.6% (2009 42.5%)

Venson Automotive Solutions Limited,
The company achieved 106% of the market value on vehicles disposed in the year (2009 106%)

Venson Nottingham Limited,
In the reporting year the company delivered a vehicle availability performance of 99.5% (2009 99%)

In the year to 31 December 2010 the company achieved a profit on disposal of fixed assets of £130,192 (2009 £126,650)

Venson Herts Limited,
In the reporting period the company delivered a vehicle availability performance of 94.5% (2009 94.4%)

Interest Payable

As per note 4 of the accounts, within the £(157,846) (2009 £1,297,268) of interest payable, £872,570 (2009 £782,222) relates to group undertakings. The negative interest payable is the result of the £1,500,000 interest waiver described above.

DIRECTORS

The following directors have held office since 1 January 2010

J G Bateson
S J Staton
A D Richman
S J Roff

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

AUDITOR

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office

By order of the board



A D Richman
Director

8 April 2011

Premier Fleet Management and Contract Hire Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

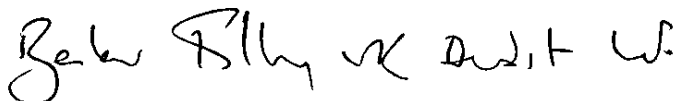
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



COLIN ROBERTS ACA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

11 APRIL 2011

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2010

	<i>Notes</i>	2010 £	2009 £ (Restated)
TURNOVER	1	20,084,853	18,997,692
Cost of sales		(10,525,678)	(10,923,856)
GROSS PROFIT		<u>9,559,175</u>	<u>8,073,836</u>
Other operating expenses	2	(5,826,767)	(4,567,974)
Exceptional operating expenses	2	-	(141,896)
Total operating expenses		<u>(5,826,767)</u>	<u>(4,709,870)</u>
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION		3,732,408	3,363,966
Depreciation and amortisation		(3,025,511)	(2,924,265)
OPERATING PROFIT		<u>706,897</u>	<u>439,701</u>
Investment income	3	937	5,494
Interest payable	4	157,846	(1,297,268)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>865,680</u>	<u>(852,073)</u>
Taxation	7	(100,852)	(236,187)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	18	<u><u>764,828</u></u>	<u><u>(1,088,260)</u></u>

The operating profit for the period arises from the group's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

Comparatives have been restated for consistency with the current year see note 5

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED BALANCE SHEET (Company Registration Number: 06025920)
31 December 2010

	<i>Notes</i>	2010 £	2009 £
FIXED ASSETS			
Goodwill	9	10,911,092	11,568,847
Tangible assets	10	8,848,897	8,740,872
		<u>19,759,989</u>	<u>20,309,719</u>
CURRENT ASSETS			
Stock	12	178,172	151,106
Debtors amounts falling due within one year	13	12,575,697	9,542,348
Debtors amounts falling due after more than one year	13	8,099,181	10,852,604
Cash at bank and in hand		1,888,975	1,185,131
		<u>22,742,025</u>	<u>21,731,189</u>
CREDITORS Amounts falling due within one year	14	(19,296,397)	(19,110,209)
NET CURRENT ASSETS		<u>3,445,628</u>	<u>2,620,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		23,205,617	22,930,699
CREDITORS Amounts falling due after more than one year	15	(18,913,334)	(23,403,244)
PROVISIONS FOR LIABILITIES	16	(59,038)	(59,038)
NET ASSETS/(LIABILITIES)		<u>4,233,245</u>	<u>(531,583)</u>
CAPITAL AND RESERVES			
Called up share capital	17	10	2
Share Premium	18	3,999,992	-
Profit and loss account	18	233,243	(531,585)
SHAREHOLDERS' FUNDS/(DEFICIT)	19	<u>4,233,245</u>	<u>(531,583)</u>

The financial statements on pages 7 to 22 were approved by the board of directors and authorised for issue on 8 April 2011 and are signed on its behalf by



A D Richman
 Director

Premier Fleet Management and Contract Hire Limited

COMPANY BALANCE SHEET (Company Registration Number 06025920)

31 December 2010

	<i>Notes</i>	2010 £	2009 £
FIXED ASSETS			
Investments	11	4,800,002	350,002
CURRENT ASSETS			
Debtors amounts falling due within one year	13	355,112	436,992
Debtors amounts falling due after more than one year	13	6,270,586	10,317,257
		<u>6,625,698</u>	<u>10,754,249</u>
CREDITORS Amounts falling due within on year	14	(359,850)	(436,992)
NET CURRENT ASSETS		<u>6,265,848</u>	<u>10,317,257</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		11,065,850	10,667,259
CREDITORS Amounts falling due in more than one year	15	(6,151,628)	(11,188,404)
NET ASSETS/(LIABILITIES)		<u>4,914,222</u>	<u>(521,145)</u>
CAPITAL AND RESERVES			
Called up share capital	17	10	2
Share Premium	18	3,999,992	-
Profit and loss account	18	914,220	(521,147)
SHAREHOLDERS' FUNDS/(DEFICIT)	19	<u>4,914,222</u>	<u>(521,145)</u>

The financial statements on pages 7 to 22 were approved by the board of directors and authorised for issue on 8 April 2011 and are signed on its behalf by



A D Richman
Director

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2010

	<i>Notes</i>	2010 £	2009 £
NET CASHFLOW FROM OPERATING ACTIVITIES	20a	4,480,817	4,774,123
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		937	5,494
Interest paid		(519,080)	(535,669)
Net cash outflow for returns on investments and servicing of finance		<u>(518,143)</u>	<u>(530,175)</u>
TAXATION			
Payment of Corporation Tax		-	16,104
CAPITAL EXPENDITURE			
Payments to acquire tangible assets		(1,376,950)	(3,541,894)
Receipts from sales of tangible assets		2,101,580	2,099,687
Net cash outflow for capital expenditure		<u>724,630</u>	<u>(1,442,207)</u>
CASH INFLOW BEFORE FINANCING		<u>4,687,304</u>	<u>2,817,845</u>
FINANCING			
Other new long term loans		-	1,150,000
Repayment of other long term loans		(4,436,992)	-
Repayment of other short term loans		(38,844)	(186,900)
Capital element of hire purchase contracts		(3,746,271)	(2,365,572)
Refinanced hire purchase contracts		238,647	-
Issue of ordinary share capital		4,000,000	-
Net cash outflow from financing		<u>(3,983,460)</u>	<u>(1,402,472)</u>
INCREASE IN CASH IN THE PERIOD		<u>703,844</u>	<u>1,415,373</u>

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards

CONSOLIDATION

The consolidated financial statements incorporate those of the company and all of its subsidiary undertakings for the year. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is capitalised as purchased goodwill and amortised through the profit and loss account over its estimated economic life. Provision is made for any impairment. All financial statements are made up to 31 December 2010.

GOING CONCERN

Included within creditors due after one year is an amount due to Bottin (International) Investments BV ("Bottin"), a related party. The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate controlling party of Bottin has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due. On this basis, the directors consider it appropriate to prepare the accounts on a going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

TURNOVER

Turnover represents the value, net of Value Added Tax, of fit-out fees, commission in respect of operating leases, vehicle rentals, maintenance income, sale of vehicles where the company bears the risks and enjoys the related rewards associated with that sale, reimbursed costs, management fees and income from ancillary services to external clients.

Reimbursed costs represent fleet management costs rechargeable to clients.

AGENCY FUNDING REVENUE

A substantial part of the group's fleet of vehicles are funded on agency terms under which the group acts as an agent for the funder in purchasing, delivering, collecting and selling the vehicle. Revenue in respect of agency contracts is recognised on straight-line basis over the term of the contract.

The group is also responsible for collecting the periodic rentals due from the customers but is not exposed to the credit risk in relation to these rentals.

The group recognised the gross rentals due from customers in respect of the periodic rentals as a debtor and the amounts payable to funders as a creditor.

RESIDUAL VALUES

At the expiry of the agency contract the group is obliged to pay the funder a balloon payment equivalent to the estimated residual value of the vehicle. Following sale of the vehicle the group accounts for the net sale proceeds to the funder up to the level of the estimated residual value. Any excess remains with the group, should there be a shortfall the group is exposed to the loss on the residual values. The amount of the exposure is on a pre-agreed basis with the funder. In complying with FRS 5 Reporting the Substance of Transactions the group has decided to show all of the residual value due as gross receivables in debtors and the corresponding amount due to funders as gross payables in creditors.

The residual values of the vehicles are monitored in accordance with the industry practice and projected losses to the company on end-of-life disposals provided for accordingly.

VEHICLE MAINTENANCE CONTRACTS

During the term of the vehicle contract, the maintenance income element is recognised over the life of the contract in accordance with the industry practice and maintenance expenditure is recognised when incurred.

INVESTMENTS

Long term investments in subsidiary undertakings are shown, and classified as fixed asset investments. Provision is made for any impairment in the value of fixed asset investments.

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Freehold buildings	over 25 years
Plant, machinery, fixtures, fittings and equipment	10% to 33 1/3% per annum
Motor vehicles	15% to 40% per annum

Vehicles held for hire are depreciated to estimated resale value at the end of the lease, based on industry data. Used vehicles acquired at the expiry of the funding agreement and held for hire are depreciated at various rates depending on the associated refinancing agreement

STOCKS

Parts stock is valued at the lower of cost and net realisable value

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured on a non-discounted basis

LESSOR ACCOUNTING

Assets held for use under operating leases are included within fixed assets. Rental income under contract hire is recognised on a straight line basis over the life of the initial contract. On extension of the contract, income is recognised as earned

Income and costs in respect of daily hire contracts are recognised gross as the group bears the risks and rewards associated with these sales

PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the group to money purchase pension schemes during the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account in accordance with the above depreciation accounting policy

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the length of the lease and represents a constant proportion of the remaining balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor

All other leases are treated as "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease

GOODWILL

Negative goodwill representing the shortfall of the purchase price compared with the fair value of the net assets acquired is capitalised and written off over 4 years as in the opinion of the directors this represents the period over which the goodwill is effective

Goodwill represents the excess of the purchase price compared with the fair value of the net assets acquired is capitalised and written off evenly over 20 years as in the opinion of the directors this represents the period over which the goodwill is effective

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

1 TURNOVER

The contributions of the various activities of the group to turnover, which are in respect of continuing activities, are set out below

	2010	2009
	£	£
Analysed as		
Management Fees and ancillary	3,620,463	3,431,937
Reimbursed costs	2,377,541	2,215,328
Fit out	1,079,136	732,923
Lease management and ancillary services	9,577,251	7,827,346
Vehicle sales	3,430,462	4,790,158
	<u>20,084,853</u>	<u>18,997,692</u>

2 OTHER OPERATING EXPENSES

	2010	2009
	£	£
Administration expenses	5,826,767	4,567,974
Exceptional administration expenses	-	141,896
Total administration expenses	<u>5,826,767</u>	<u>4,709,870</u>

Exceptional administrative expenses of £Nil (2009 £141,896) relate to redundancy costs and related legal expenses

3 INVESTMENT INCOME

	2010	2009
	£	£
Bank interest	937	5,494

4 INTEREST PAYABLE

	2010	2009
	£	£
On bank loans and overdrafts	211,927	269,705
Interest payable to group undertakings	872,570	782,222
Interest payable to group undertakings waived	(1,500,000)	-
Hire purchase interest	255,256	244,406
Other interest	2,401	935
	<u>(157,846)</u>	<u>1,297,268</u>

Interest accrued and charged to the profit and loss account in respect of amounts payable to group undertakings in prior periods was waived in the current year

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

5	PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2010 £	2009 £
	Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting)		
	Goodwill amortisation	657,755	657,944
	Depreciation of tangible assets		
	Charge for the year		
	- owned assets	1,376,306	1,378,490
	- leased assets	1,673,394	887,831
	Profit on disposals	(133,782)	(147,752)
	Operating lease rentals		
	Land and buildings	525,645	434,493
	Auditors' remuneration		
	audit	30,000	29,000
	non-audit	8,750	22,700

The directors have reviewed the classification of certain depreciation and staff cost items in the profit and loss account to more accurately reflect the company's gross profit margin. The comparative figures have been adopted for consistency. The net impact on comparative figures is to increase gross profit by £72,742 and increase administrative expenses by £72,742. There is no impact on net reported operating profits.

6	EMPLOYEES	2010 No	2009 No
	The average monthly number of persons (including directors) employed by the group during the year was	107	112
		2010 £	2009 £
	Staff costs for the above persons		
	Wages and salaries	3,396,633	3,313,506
	Social security costs	337,145	296,750
	Other pension costs	78,605	80,653
		3,812,383	3,690,909

Included within staff costs are redundancy payments of £Nil (2009 £119,391)

DIRECTORS' REMUNERATION	2010 £	2009 £
Emoluments for qualifying services	474,342	591,164
Directors' emoluments disclosed above include the following payments in respect of the highest paid director	2010 £	2009 £
Emoluments	175,784	173,897

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

6 EMPLOYEES (Continued)

DIRECTORS' REMUNERATION (Continued)	2010 Number	2009 Number
The number of directors to whom relevant benefits are accruing under money purchase pension schemes was	2	2

7 TAXATION

	2010 £	2009 £
Adjustment in respect of prior year	-	(16,104)
Total current tax	-	(16,104)
Deferred tax current year	19,111	241,529
Adjustment in respect of prior years	81,741	10,762
Total deferred tax charge/(credit)	100,852	252,291
Total tax charge for the year	100,852	236,187
Factors affecting tax charge for year	2010 £	2009 £
The tax assessed for the period is different than the standard rate of corporation tax in the UK of 28% as explained below		
Profit/(loss) on ordinary activities before tax	865,680	(852,073)
Profit/(loss) on ordinary activities multiplied by effective rate of corporation tax of 28% (2009 28%)	242,390	(238,580)
Effects of		
Expenses not deductible for tax purposes	238,498	336,699
Capital allowances in excess of depreciation	19,588	(241,528)
Other timing differences	305	(35,372)
Tax losses (utilised)/carried forward	(82,859)	148,435
Other tax adjustments	2,078	30,346
Adjustments in respect of prior years	-	(16,104)
Non taxable income	(420,000)	-
Current tax charge for year	-	(16,104)

The group has estimated tax losses of £1,655,251 (2009 £1,566,352) available to carry forward against future trading profits

No deferred tax has been recognised in respect of the tax losses carried forward due to the uncertainty of the group's ability to utilise these losses

8 COMPANY PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account for the company has been presented. The company's retained profit for the year amounted to £1,435,367 (2009 £426,647 loss)

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

9	GOODWILL	Negative Goodwill £	Purchased Goodwill £	Total £	
	Cost				
	1 January and 31 December 2010	(144,566)	13,638,868	13,494,302	
	Amortisation				
	1 January 2010	(120,377)	2,045,832	1,925,455	
	Charge for the year	(24,189)	681,944	657,755	
	31 December 2010	(144,566)	2,727,776	2,583,210	
	Net book value				
	31 December 2010	-	10,911,092	10,911,092	
	31 December 2009	(24,189)	11,593,036	11,568,847	
10	TANGIBLE FIXED ASSETS				
		<i>Freehold land And buildings £</i>	<i>Plant, Machinery, Fixtures, fittings and equipment £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
	Cost				
	1 January 2010	814,926	2,797,445	11,592,472	15,204,843
	Additions	-	39,866	5,087,439	5,127,305
	Disposals	-	(42,832)	(3,662,146)	(3,704,978)
	31 December 2010	814,926	2,794,479	13,017,765	16,627,170
	Depreciation				
	1 January 2010	186,210	1,101,052	5,176,709	6,463,971
	Charged in the year	22,597	298,522	2,730,363	3,051,482
	Disposals	-	(38,509)	(1,698,671)	(1,737,180)
	31 December 2010	208,807	1,361,065	6,208,401	7,778,273
	Net book value				
	31 December 2010	606,119	1,433,414	6,809,364	8,848,897
	31 December 2009	628,716	1,696,393	6,415,763	8,740,872

Premier Fleet Management and Contract Hire Limited

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for the year ended 31 December 2010

10 TANGIBLE FIXED ASSETS (Continued)

Included above are assets held under finance leases or hire purchase contracts as follows

	<i>Fixtures & Fittings</i> £	<i>Motor vehicles</i> £
Net book value		
31 December 2010	160,697	3,452,190
	<u> </u>	<u> </u>
31 December 2009	192,068	3,116,501
	<u> </u>	<u> </u>

The net book value of motor vehicles utilised by the group in operating lease contracts is £5,932,980 (2009 £5,484,809)

11 FIXED ASSET INVESTMENTS

	£
1 January 2010	350,002
Additions	4,450,000
	<u> </u>
31 December 2010	4,800,002
	<u> </u>

During the year the company purchased additional share capital in Venson Automotive Solutions Limited for £4,450,000

SUBSIDIARY UNDERTAKINGS

<i>Name</i>	<i>Country of registration or incorporation</i>	<i>Class of holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Venson Automotive Solutions Limited	United Kingdom	Ordinary	100%	Fleet Management
Venson Nottingham Limited	United Kingdom	Ordinary	100%	Fleet Management
Venson Properties Limited	United Kingdom	Ordinary	100%	Property Management
Venson Herts Limited	United Kingdom	Ordinary	100%	Fleet Management

12 STOCKS

	Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
Parts stock	178,172	-	151,106	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Premier Fleet Management and Contract Hire Limited

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for the year ended 31 December 2010

13	DEBTORS	Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
	Amounts falling due within one year				
	Trade debtors	3,472,696	-	1,798,035	-
	Vehicles subject to repurchase agreements	7,363,664	-	6,725,949	-
	Amounts owed by group undertakings	-	331,596	-	436,992
	Other debtors	964,717	-	333,454	-
	Prepayments and accrued income	774,620	23,516	684,910	-
		<u>12,575,697</u>	<u>355,112</u>	<u>9,542,348</u>	<u>436,992</u>
	Amounts falling due after more than one year				
	Vehicles subject to repurchase agreements	6,957,094	-	9,609,665	-
	Amounts owed by group undertakings	-	6,270,586	-	10,317,257
	Other debtors	1,142,087	-	1,242,939	-
		<u>8,099,181</u>	<u>6,270,586</u>	<u>10,852,604</u>	<u>10,317,257</u>

Included in other debtors due after more than one year is a deferred tax asset of £1,142,087 (2009 £1,242,939) in respect of accelerated capital allowances

	£
Deferred taxation	
1 January 2010	1,242,939
Transfer to profit and loss account	(100,852)
31 December 2010	<u>1,142,087</u>

14	CREDITORS	Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
	Amounts falling due within one year				
	Bank loans	37,467	-	3,965,025	-
	Other loans	359,850	359,850	436,992	436,992
	Vehicles subject to repurchase agreements	7,363,664	-	6,725,949	-
	Obligations under finance lease and hire purchase contracts	2,270,748	-	1,338,740	-
	Trade creditors	3,828,765	-	2,078,726	-
	Taxes and social security costs	673,641	-	406,287	-
	Other creditors	1,619,289	-	1,876,350	-
	Accruals and deferred income	3,142,973	-	2,282,140	-
		<u>19,296,397</u>	<u>359,850</u>	<u>19,110,209</u>	<u>436,992</u>

The bank loan is secured by fixed and floating charge on certain of the group's assets

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

15	CREDITORS Amounts falling due in more than one year	Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
	Bank loans	4,118,443	-	229,728	-
	Other loans	6,151,628	6,151,628	11,188,404	11,188,404
	Vehicles subject to repurchase agreements	6,957,094	-	9,609,665	-
	Obligations under finance leases and hire purchase agreements	1,686,169	-	2,375,447	-
		<u>18,913,334</u>	<u>6,151,628</u>	<u>23,403,244</u>	<u>11,188,404</u>
		Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
	Vehicles subject to repurchase agreements				
	Included in current liabilities	7,363,664	-	6,725,949	-
	In more than one year but not more than two years	2,472,615	-	6,004,954	-
	In more than two years but not more than five years	4,484,479	-	3,604,711	-
		<u>14,320,758</u>	<u>-</u>	<u>16,335,614</u>	<u>-</u>
		Group 2010 £	Company 2010 £	Group 2009 £	Company 2009 £
	Obligations under finance leases and hire purchase contracts				
	Repayable within one year	2,270,748	-	1,338,740	-
	Repayable between two and five years	1,686,169	-	2,375,447	-
		<u>3,956,917</u>	<u>-</u>	<u>3,714,187</u>	<u>-</u>

Obligations under finance lease and hire purchase agreements are secured by related assets and bear finance charges at rates ranging from 0% to 7.3%

16	PROVISION FOR LIABILITIES AND CHARGES	£
	Contract cost provision	
	1 January 2010 and 31 December 2010	<u>59,038</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

17	SHARE CAPITAL		2010	2009	
			£	£	
	Allotted issued and fully paid				
	10 (2009 2) Ordinary shares of £1 each		10	2	
			<u> </u>	<u> </u>	
	As explained in note 11 in December 2010 Bottin International (Investments) Limited subscribed for an additional 8 ordinary £1 shares in the company at a price of £500,000 per share				
18	RESERVES		Share premium	Profit and loss account	
			£	£	
	Group				
	1 January 2010		-	(531,585)	
	Profit for the year		-	764,828	
	Premium on shares allotted		3,999,992	-	
	31 December 2010		<u>3,999,992</u>	<u>233,243</u>	
	Company		Share premium	Profit and loss account	
			£	£	
	1 January 2010		-	(521,147)	
	Profit for the year		-	1,435,367	
	Premium on shares allotted		3,999,992	-	
	31 December 2010		<u>3,999,992</u>	<u>914,220</u>	
19	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/(DEFICIT)	Group	Company	Group	Company
		2010	2010	2009	2009
		£	£	£	£
	Profit/(loss) for the financial year	764,828	1,435,367	(1,088,260)	(426,647)
	Shares issued in year	4,000,000	4,000,000	-	-
	Opening shareholders' (deficit)/funds	(531,583)	(521,145)	556,677	(94,498)
	Closing shareholders' funds/(deficit)	<u>4,233,245</u>	<u>4,914,222</u>	<u>(531,583)</u>	<u>(521,145)</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

22 CONTROL

The company's immediate parent undertaking is Line Nominees Limited, a company registered in Gibraltar. The company's ultimate parent company is Bottin (International) Investments Limited ("Bottin"), a company registered in Gibraltar.

Mr Dermot Desmond has the ability to exercise dominant influence over Bottin.

23 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 that transactions do not need to be disclosed with companies where 100% of the voting rights are controlled within the group.

At the period end Bottin (International) Investments BV ("Bottin BV") was owed £6,511,478 (2009 £11,188,404) by the company. Interest of £872,570 (2009 £782,222) has been accrued on this balance as at 31 December 2010, interest of £102,800 (2009 £Nil) was paid in the year and interest totaling £1,500,000 was waived in the year.

The directors have received confirmation that the funding received from Bottin BV will not be withdrawn within one year from the date of approval of these financial statements. Dermot Desmond has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due.