

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended
31 December 2012



Company Registration No 06025920

Premier Fleet Management and Contract Hire Limited

DIRECTORS AND OFFICERS

DIRECTORS

J G Bateson
S J Staton
S J Roff

COMPANY NUMBER

06025920 (England and Wales)

REGISTERED OFFICE

Masters House
107 Hammersmith Road
London W14 0QH

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey GU1 1UN

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 2012

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 very satisfied with the results of the group, which are disclosed in the profit and loss account on page 6 of the financial statements

The Directors are delighted to announce that Premier hit all of its financial targets for 31 December 2012, reporting a record high EBITDA of £7,594,342 (2011 £5,277,156), against turnover of £24,520,645 (2011 £23,494,106), and ending the year with £2,676,878 cash at bank (2011 £904,766)

Operationally the company's continued focus on 'Customer First' resulted in a number of contract wins during 2012 and in Venson Automotive Solutions Limited "VAS" recording a customer retention of 96% (2011 95%)

The public sector businesses in Hertfordshire and Nottinghamshire continue to contribute to the group's overall results with EBITDA £1,404,782 (2011 £1,408,901) The EBITDA and profit after tax results from both public sector businesses and the capacity for expansion provide a platform to achieve strong and profitable growth in the future

Going concern

Venson has headroom of 47% on its funding lines This is available for growth of existing customers and new business

Included within creditors due after one year is an amount of £6,949,328 (2011 £6,527,877) due to Bottin (International) Investments BV ("Bottin BV"), the company's ultimate parent company The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements In addition, Dermot Desmond, the ultimate controlling party of Bottin BV, has agreed to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

As a result of the group trading profitably and 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

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

REVIEW OF THE BUSINESS (Continued)

Key performance indicators

Premier Fleet Management and Contract Hire Limited ('Premier'),
Gross margin 34.2% (2011 restated 36.6%) as a result of a forecast change in the sales mix

Venson Automotive Solutions Limited,
The company achieved 103% (2011 107%) of the residual value on vehicles disposed of in the year. This reflects changes in the market but continues to perform above the industry expectations on which the residual values were set.

Venson Nottingham Limited,
In the reporting year the company delivered a vehicle availability performance of 99.2% (2011 99.6%)

In the year to 31 December 2012 the company achieved a profit on disposal of fixed assets of £64,066 (2011 £68,868)

Venson Herts Limited,
In the reporting period the company delivered a vehicle availability performance of 95.4% (2011 95.8%)

Interest Payable

As per note 4 of the accounts, within the £1,733,326 (2011 £1,156,165) of interest payable, £572,546 (2011 £543,340) relates to group undertakings

DIRECTORS

The following directors have held office since 1 January 2012

J G Bateson
S J Staton
S J Roff

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors have confirmed that, as far as they are aware, 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.

AUDITOR

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

By order of the board



S J Roff
Director

24/09/2013

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 the 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 6 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 auditor

As more fully explained in the Directors' Responsibilities Statement as set out on page 4, 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on 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 2012 and of the group's loss 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 matter 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.

Baker Tilly UK Audit LLP

PERRY LINTON FCA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey GU1 1UN

27 September 2013

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2012

	<i>Notes</i>	2012 £	2011 £ (Restated)
TURNOVER	1	24,520,645	23,494,106
Cost of sales		(16,133,828)	(14,905,189)
GROSS PROFIT		<u>8,386,817</u>	<u>8,588,917</u>
Other operating expenses	2	(5,452,635)	(5,482,578)
Depreciation and amortisation	2	(2,252,602)	(2,202,865)
OPERATING PROFIT		<u>681,580</u>	<u>903,474</u>
Investment income	3	1,118	3,998
Interest payable	4	(794,105)	(763,406)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>(111,407)</u>	<u>144,066</u>
Taxation	7	(185,423)	(490,225)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	19	<u>(296,830)</u>	<u>(346,159)</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

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED BALANCE SHEET (Company Registration Number 06025920)
31 December 2012

	<i>Notes</i>	2012 £	2011 £
FIXED ASSETS			
Goodwill	10	9,597,092	10,254,092
Tangible assets	11	27,708,254	17,781,774
		<u>37,305,346</u>	<u>28,035,866</u>
CURRENT ASSETS			
Stock	13	197,778	178,385
Debtors amounts falling due within one year	14	8,899,660	11,032,053
Debtors amounts falling due after more than one year	14	19,286,574	13,429,899
Cash at bank and in hand		2,676,878	904,766
		<u>31,060,890</u>	<u>25,545,103</u>
CREDITORS Amounts falling due within one year	15	(22,414,163)	(20,527,055)
NET CURRENT ASSETS		<u>8,646,727</u>	<u>5,018,048</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>45,952,073</u>	<u>33,053,914</u>
CREDITORS Amounts falling due after more than one year	16	(42,361,817)	(29,108,670)
PROVISIONS FOR LIABILITIES	17	-	(58,158)
NET ASSETS		<u>3,590,256</u>	<u>3,887,086</u>
CAPITAL AND RESERVES			
Called up share capital	18	10	10
Share Premium	19	3,999,992	3,999,992
Profit and loss account	19	(409,746)	(112,916)
SHAREHOLDERS' FUNDS	20	<u>3,590,256</u>	<u>3,887,086</u>

The financial statements on pages 6 to 22 were approved by the board of directors and authorised for issue on 24/09/13 2013 and are signed on its behalf by



S J Roff
 Director

Premier Fleet Management and Contract Hire Limited
COMPANY BALANCE SHEET (Company Registration Number 06025920)
31 December 2012

	<i>Notes</i>	2012 £	2011 £
FIXED ASSETS			
Investments	12	4,800,002	4,800,002
CURRENT ASSETS			
Debtors amounts falling due within one year	14	151,937	280,358
Debtors amounts falling due after more than one year	14	7,196,708	6,518,413
		<u>7,348,645</u>	<u>6,798,771</u>
CREDITORS Amounts falling due within one year	15	(128,421)	(285,096)
NET CURRENT ASSETS		<u>7,220,224</u>	<u>6,513,675</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,020,226	11,313,677
CREDITORS Amounts falling due after more than one year	16	(7,106,004)	(6,399,455)
NET ASSETS		<u>4,914,222</u>	<u>4,914,222</u>
CAPITAL AND RESERVES			
Called up share capital	18	10	10
Share Premium	19	3,999,992	3,999,992
Profit and loss account	19	914,220	914,220
SHAREHOLDERS' FUNDS	20	<u>4,914,222</u>	<u>4,914,222</u>

The financial statements on pages 6 to 22 were approved by the board of directors and authorised for issue on 24/09/2013 and are signed on its behalf by



S J Roff
 Director

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2012

	<i>Notes</i>	2012 £	2011 £ (Restated)
NET CASHFLOW FROM OPERATING ACTIVITIES	22a	9,693,538	3,977,619
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		1,118	3,998
Other interest paid		(196,338)	(201,288)
Interest paid on hire purchase contracts		(988,963)	(450,206)
Net cash outflow for returns on investments and servicing of finance		<u>(1,184,183)</u>	<u>(647,496)</u>
CAPITAL EXPENDITURE			
Payments to acquire tangible assets		(3,893,505)	(2,421,117)
Receipts from sales of tangible assets		2,643,262	2,089,913
Net cash outflow for capital expenditure		<u>(1,250,243)</u>	<u>(331,204)</u>
CASH INFLOW BEFORE FINANCING		<u>7,259,112</u>	<u>2,998,919</u>
FINANCING			
Repayment of other long term loans		(1,054,678)	(359,850)
Repayment of other short term loans		(42,692)	(39,651)
Capital element of hire purchase contracts		(4,389,630)	(3,583,627)
Net cash outflow from financing		<u>(5,487,000)</u>	<u>(3,983,128)</u>
INCREASE/(DECREASE) IN CASH IN THE PERIOD		<u>1,772,112</u>	<u>(984,209)</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 United Kingdom accounting standards

CONSOLIDATION

The consolidated financial statements incorporate those of Premier Fleet Management and Contract Hire Limited 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, whether negative or positive, 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 2012.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

GOING CONCERN

Included within creditors due after one year are loans from Bottin (International) Investments BV ("Bottin"), the group's ultimate parent company. 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, operating lease commissions, vehicle rentals, agency funding revenue, maintenance income, vehicle sales, reimbursed costs and management charges.

Agency funding revenue relates to income from vehicle fleets funded on agency terms under which the company acts as an agent for the funder in purchasing, delivery, collecting and selling the vehicle. Revenue in respect of agency contracts is recognised on a straight-line basis over the term of the contract.

Turnover on operating lease commissions is recognised when the right to receive commission arises. This arises when the vehicle is funded on an agency funding line.

Maintenance income on contracts is recognised over the life of the contract by matching income with the related expenditure in line with industry practice.

Sales of motor vehicles are recognised when the significant risks and rewards of ownership of the vehicles have been passed to third parties.

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 company bears the risks and rewards associated with these sales.

Reimbursed costs represent fleet management costs rechargeable to clients.

Otherwise, revenue is recognised at the point of delivery of services.

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.

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less provision for accumulated depreciation

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 under non-HP agreements	15% to 40% per annum
Motor vehicles under HP agreements	annuity rate of return over capital investment

The method for calculating depreciation of motor vehicles under HP agreements has been changed in order to depreciate motor vehicles under HP agreements on an actuarial basis commencing from 1 January 2012. This is computed using an Internal Rate of Return using the application of the SORP for asset finance and leasing industry. This change in method brings the company in line with the SORP for asset finance and the leasing industry, accepted industry practice and, in the opinion of the directors, presents a fairer view of the company's performance by ensuring that the income recognition from vehicle finance leases have a constant periodic rate of return. The objective of this is to apportion the total gross earnings to each accounting period during the lease term so that the earnings are matched with the associated expense, principally finance cost.

Due to the change in the method of calculating interest and depreciation to the actuarial method for lease accounting under the SORP, the depreciation charge for motor vehicles has been reduced to £4,925,367 in the profit and loss account for the year ended 31 December 2012 when under the old method this would have been reported as £5,310,619. There is no material change to the interest payable.

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 funding mechanism.

STOCKS

Parts stock is valued at the lower of cost and net realisable value. Net realisable value is based upon the estimated selling price less expected costs of sale.

CONTRACT LOSS PROVISION

Provision was previously made for contract losses on the sale of horseboxes.

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 assets are only recognised to the extent that they are deemed recoverable.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

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.

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

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 obligations under finance lease and hire purchase contracts within creditors. 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 on an actuarial basis over the length of the lease. The capital component of repayments 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 2012

1 TURNOVER AND (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The group's turnover and (loss)/profit on ordinary activities before taxation were all derived from its principal activities wholly undertaken in the United Kingdom

	2012	2011
	£	£
Analysed as		
Management and ancillary fees	3,757,793	2,795,625
Reimbursed costs	1,636,898	1,798,238
Fit out	2,627,814	3,248,951
Lease management and ancillary services	12,853,181	11,795,711
Vehicle sales	3,644,959	3,855,581
	<u>24,520,645</u>	<u>23,494,106</u>
	<u>2012</u>	<u>2011</u>
	£	£
2 OTHER OPERATING EXPENSES		(Restated)
Administrative expenses	5,452,635	5,482,578
Depreciation and amortisation	5,973,541	3,980,923
	<u>11,426,176</u>	<u>9,463,501</u>
Depreciation on motor vehicles under hire purchase agreements included in cost of sales	(3,720,939)	(1,778,058)
	<u>7,705,237</u>	<u>7,685,443</u>
	<u>2012</u>	<u>2011</u>
	£	£
3 INVESTMENT INCOME		
Bank interest	1,118	3,998
	<u>1,118</u>	<u>3,998</u>
	<u>2012</u>	<u>2011</u>
	£	£
4 INTEREST PAYABLE		(Restated)
On bank loans and overdrafts	171,817	162,619
Interest payable to group undertakings	572,546	543,340
Hire purchase interest	988,963	450,206
	<u>1,733,326</u>	<u>1,156,165</u>
Included in cost of sales	(939,221)	(392,759)
	<u>794,105</u>	<u>763,406</u>

Premier Fleet Management and Contract Hire Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2012

5	(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2012 £	2011 £
	(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting)		
	Goodwill amortisation	657,000	657,000
	Depreciation of tangible fixed assets		
	Charge for the year		
	- owned assets	1,460,939	1,487,065
	- leased assets	3,855,602	1,836,858
	Profit on disposals of fixed assets	(83,601)	(71,288)
	Operating lease rentals		
	Land and buildings	491,315	533,579
	Auditor's remuneration	32,500	32,000
	audit		
	non-audit	9,000	9,000
		<u> </u>	<u> </u>
6	EMPLOYEES	2012 No	2011 No
	The average monthly number of persons (including directors) employed by the group during the year was	116	112
		<u> </u>	<u> </u>
		2012 £	2011 £
	Staff costs for the above persons		
	Wages and salaries	3,773,287	3,597,656
	Social security costs	409,145	380,803
	Other pension costs	33,469	61,407
		<u>4,215,901</u>	<u>4,039,866</u>
		<u> </u>	<u> </u>
	DIRECTORS' REMUNERATION	2012 £	2011 £
	Emoluments for qualifying services	320,587	378,625
	Pension costs	4,056	6,216
		<u>324,643</u>	<u>384,841</u>
		<u> </u>	<u> </u>
	Directors' emoluments disclosed above include the following payments in respect of the highest paid director	2012 £	2011 £
	Emoluments	174,305	170,256
		<u> </u>	<u> </u>
		2012 No	2011 No
	The number of directors to whom relevant benefits are accruing under money purchase pension schemes was	1	1
		<u> </u>	<u> </u>

Premier Fleet Management and Contract Hire Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2012

7	TAXATION	2012 £	2011 £
	Current tax charge for year	-	-
	Total current tax	<u>-</u>	<u>-</u>
	Deferred tax current year	119,425	278,684
	Deferred tax adjustment in respect of prior years	20,000	148,673
	Deferred tax rate charge	45,998	62,868
	Total deferred tax charge	<u>185,423</u>	<u>490,225</u>
	Total tax charge for the year	<u>185,423</u>	<u>490,225</u>
	Factors affecting tax charge for year	2012 £	2011 £
	The tax assessed for the period is different than the standard rate of corporation tax in the UK of 24% (2011 26%) as explained below		
	(Loss)/profit on ordinary activities before tax	(111,407)	144,066
	(Loss)/profit on ordinary activities multiplied by effective rate of corporation tax of 24% (2011 26%)	<u>(26,738)</u>	<u>37,457</u>
	Effects of		
	Expenses not deductible for tax purposes	225,165	205,883
	Capital allowances in excess of depreciation	(119,425)	(278,684)
	Other timing differences	(39,897)	34,244
	Tax losses utilised	(39,105)	(1,101)
	Other tax adjustments	-	2,201
	Current tax charge for year	<u>-</u>	<u>-</u>

The group has estimated tax losses of £1,688,009 (2011 £1,772,367) 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 PRIOR YEAR ADJUSTMENT

The directors have reviewed the allocation of depreciation and interest payable on motor vehicles held under hire purchase agreements to ensure the disclosures are consistent with UK Generally Accepted Accounting Practice and specifically the Statement of Recommended Accounting Practice for the asset finance and leasing industry and have reallocated the charges for depreciation and interest payable on motor vehicles held under hire purchase agreements for the year ended 31 December 2012 to include them under costs of sales when previously they were included within the interest payable charge in the profit and loss account. Following this, and in accordance with FRS28 Corresponding Amounts, the comparative figures for the year ended 31 December 2011 have been presented on a consistent basis resulting in amendments in 2011 to increase cost of sales by £2,170,817, decrease depreciation on the face of the profit and loss account by £1,778,058, and decrease interest payable on the face of the profit and loss account by £392,759. This change in allocation had no impact on the result for the year ended 31 December 2011 or opening reserves as at 1 January 2011.

Premier Fleet Management and Contract Hire Limited
NOTES TO THE FINANCIAL STATEMENTS
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9 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 result for the year amounted to £Nil (2011 £Nil)

10 GOODWILL

	<i>Negative Goodwill</i> £	<i>Goodwill</i> £	<i>Total</i> £
Cost			
1 January and 31 December 2012	(144,566)	13,638,868	13,494,302
Amortisation			
1 January 2012	(144,566)	3,384,776	3,240,210
Charge for the year	-	657,000	657,000
31 December 2012	(144,566)	4,041,776	3,897,210
Net book value			
31 December 2012	-	9,597,092	9,597,092
31 December 2011	-	10,254,092	10,254,092

11 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 2012	814,926	3,030,203	21,820,425	25,665,554
Additions	-	482,604	17,320,079	17,802,683
Disposals	-	(15,255)	(4,204,788)	(4,220,043)
31 December 2012	814,926	3,497,552	34,935,716	39,248,194
Depreciation				
1 January 2012	231,404	1,676,273	5,976,103	7,883,780
Charged in the year	22,597	368,578	4,925,366	5,316,541
Disposals	-	(560)	(1,659,821)	(1,660,381)
31 December 2012	254,001	2,044,291	9,241,648	11,539,940
Net book value				
31 December 2012	560,925	1,453,261	25,694,068	27,708,254
31 December 2011	583,522	1,353,930	15,844,322	17,781,774

Premier Fleet Management and Contract Hire Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2012

11 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 2012	163,480	21,772,033
31 December 2011	165,915	11,930,325

The net book value of motor vehicles utilised by the group in operating lease contracts is £25,174,983 (2011 £13,831,601)

12 FIXED ASSET INVESTMENTS

	£
Cost and Net book value 1 January 2012 and 31 December 2012	4,800,002

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

13 STOCKS

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Parts stock	197,778	-	178,385	-

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

14 DEBTORS	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Amounts falling due within one year				
Trade debtors	3,911,204	-	2,721,396	-
Vehicles subject to repurchase agreements	4,140,849	-	5,538,324	-
Amounts owed by group undertakings	-	128,421	-	256,842
Other debtors	288,972	-	2,308,977	-
Prepayments and accrued income	558,635	23,516	463,356	23,516
	<u>8,899,660</u>	<u>151,937</u>	<u>11,032,053</u>	<u>280,358</u>
	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Amounts falling due after more than one year				
Vehicles subject to repurchase agreements	18,820,135	-	12,778,037	-
Amounts owed by group undertakings	-	7,196,708	-	6,518,413
Other debtors	466,439	-	651,862	-
	<u>19,286,574</u>	<u>7,196,708</u>	<u>13,429,899</u>	<u>6,518,413</u>

Included in other debtors due after more than one year is a deferred tax asset of £466,439 (2011 £651,862)

	£
Deferred taxation	
1 January 2012	651,862
Transfer to profit and loss account	(185,423)
31 December 2012	<u>466,439</u>

Deferred tax has been provided in the financial statements as follows

	2012 £	2011 £
Excess of depreciation over capital allowances	<u>466,439</u>	<u>651,862</u>

Deferred tax has not been provided on tax losses and other timing differences as follows

	2012 £	2011 £
Tax losses available	388,242	425,368
Other timing differences	2,795	42,813
	<u>391,037</u>	<u>468,181</u>

During the year, the Finance Act 2012 was enacted and included legislation to reduce the main rate of corporation tax to 23% with effect from 1 April 2013. As this change was substantively enacted at the balance sheet date, deferred tax is recognised at 23% in the current period.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

14 DEBTORS (Continued)

In his budget of 20 March 2013, the Chancellor of the Exchequer announced tax changes which will have an effect on the Company's future tax position. The budget proposed a decrease in the rate of UK corporation tax from 23% to 21% from 1 April 2014 and by a further 1%, reaching 20% with effect from 1 April 2015. The further proposed reductions in the main rate of corporation tax to 20% were not substantively enacted at the balance sheet date and therefore in accordance with Accounting Standards, these proposed changes have not been reflected in the accounts at 31 December 2012.

15 CREDITORS	Amounts falling due within one year	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Bank loans		3,040,845	-	3,967,102	-
Other loans		128,421	128,421	128,421	285,096
Vehicles subject to repurchase agreements		4,140,849	-	5,538,324	-
Obligations under finance lease and hire purchase contracts		5,261,257	-	2,574,000	-
Trade creditors		4,689,492	-	3,190,988	-
Taxes and social security costs		679,742	-	322,120	-
Other creditors		1,952,220	-	1,688,325	-
Accruals and deferred income		2,521,337	-	3,117,775	-
		<u>22,414,163</u>	<u>128,421</u>	<u>20,527,055</u>	<u>285,096</u>

The bank loans consist of two loans which are secured on the assets of the relevant subsidiaries which are in receipt of the funding.

The balance on loan one at 31 December 2012 was £147,310 (2011 £187,984). The loan is repayable by instalments by March 2016 and bears interest at 1.75% above LIBOR.

The balance on loan two at 31 December 2012 was £3,000,000 (2011 £3,928,275). The loan was repayable in the full in December 2012 and at the year end the directors were in discussions with a new funder and secured a refinancing of the loan in January 2013. The new loan is secured on the subsidiary's assets.

16 CREDITORS	Amounts falling due after more than one year	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Bank loans		106,465	-	149,157	-
Other loans		6,949,328	7,106,004	6,527,877	6,399,455
Vehicles subject to repurchase agreements		18,820,135	-	12,778,037	-
Obligations under finance leases and hire purchase agreements		16,485,889	-	9,653,599	-
		<u>42,361,817</u>	<u>7,106,004</u>	<u>29,108,670</u>	<u>6,399,455</u>
		Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Bank loans					
Repayable within one year		3,040,845	-	4,005,929	-
Repayable between one and two years		42,490	-	40,845	-
Repayable between two and five years		63,975	-	108,312	-
		<u>3,147,310</u>	<u>-</u>	<u>4,155,086</u>	<u>-</u>

Premier Fleet Management and Contract Hire Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2012

16	CREDITORS Amounts falling due after more than one year (Continued)	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
	Vehicles subject to repurchase agreements Included in current liabilities	4,140,849	-	5,538,324	-
	In more than one year but not more than two years	5,438,951	-	3,099,607	-
	In more than two years but not more than five years	13,381,184	-	9,678,430	-
		<u>22,960,984</u>	<u>-</u>	<u>18,316,361</u>	<u>-</u>
		Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
	Obligations under finance leases and hire purchase contracts				
	Repayable within one year	5,261,257	-	2,574,000	-
	Repayable between one and two years	6,489,995	-	3,230,212	-
	Repayable between two and five years	9,995,894	-	6,423,387	-
		<u>21,747,146</u>	<u>-</u>	<u>12,227,599</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%

17	PROVISION FOR LIABILITIES	£
	1 January 2012	58,158
	Contract loss provision utilised	(11,484)
	Contract loss provision released to the profit and loss	(46,674)
	31 December 2012	<u>-</u>

18	SHARE CAPITAL	2012 £	2011 £
	Allotted issued and fully paid 10 (2011 10) Ordinary shares of £1 each	10	10

19	RESERVES	Share premium £	Profit and loss account £
	Group		
	1 January 2012	3,999,992	(112,916)
	Loss for the year	-	(296,830)
	31 December 2012	<u>3,999,992</u>	<u>(409,746)</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

19	RESERVES (Continued)			Share premium	Profit and loss account
	Company			£	£
	1 January 2012 and 31 December 2012			3,999,992	914,220
20	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	Group 2012	Company 2012	Group 2011	Company 2011
		£	£	£	£
	Loss for the financial year	(296,830)	-	(346,159)	-
	Opening shareholders' funds	3,887,086	4,914,222	4,233,245	4,914,222
	Closing shareholders' funds	3,590,256	4,914,222	3,887,086	4,914,222
21	PENSION COMMITMENTS				
	The group operates a defined contribution pension scheme whose assets are held separately from those of the group in an independently administered fund. The pension cost represents contributions payable by the group of £33,469 (2011 £61,407).				
	There were £6,806 (2011 £13,093) unpaid pension contributions at the year end.				
22	NOTES TO THE CASH FLOW STATEMENT			2012	2011
				£	£
					(Restated)
a	Reconciliation of operating profit to net cash outflow from operating activities				
	Operating profit			681,580	903,474
	Depreciation of tangible assets			5,316,541	3,323,923
	Profit on disposal of tangible assets			(83,601)	(71,288)
	Increase in stocks			(19,393)	(213)
	Decrease/(increase) in debtors			734,919	(281,695)
	(Increase)/(decrease) in creditors			1,525,429	(945,461)
	Decrease in provision			(58,158)	(880)
	Amortisation of goodwill			657,000	657,000
	Hire purchase interest included in cost of sales			939,221	392,759
	Net cash flow from operating activities			9,693,538	3,977,619
b	Analysis of net debt	At 1 January 2012	Net Cash Flows	Other non-cash changes	At 31 December 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	904,766	1,772,112	-	2,676,878
		904,766	1,772,112	-	2,676,878
	Debt				
	Finance leases	(12,227,599)	4,389,630	(13,909,177)	(21,747,146)
	Debts falling due within one year	(4,095,523)	1,095,523	(169,266)	(3,169,266)
	Debts falling due after one year	(6,677,034)	-	(378,759)	(7,055,793)
	Net debt	(22,095,390)	7,257,265	(14,457,202)	(29,295,327)

Non-cash charges relate to interest payable on other loans that has been rolled into the loan balance rather than repaid, and non-cash movements on finance leases in the year.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

22 CONSOLIDATED CASH FLOWS (Continued)

c	Reconciliation of net cash flow to movement in net debt	2012 £	2011 £
	Increase/(decrease) in cash in the period	1,772,112	(984,209)
	Cash outflow from decrease in debt and finance leases	5,485,153	3,983,128
	New finance leases	(13,909,177)	(11,854,309)
	Accrued interest	(548,025)	(504,670)
	Movement in net debt in the period	<u>(7,199,937)</u>	<u>(9,360,060)</u>
	Opening net debt	(22,095,390)	(12,735,330)
	Closing net debt	<u><u>(29,295,327)</u></u>	<u><u>(22,095,390)</u></u>

23 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2012 the group had annual commitments under non-cancellable leases as follows

	2012 £	2011 £
Land and buildings expiring within two to five years	<u>499,000</u>	<u>499,000</u>

24 CONTROL

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

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

25 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

At the period end Bottin (International) Investments BV ("Bottin BV") was owed £7,077,749 (2011 £6,662,989) by the group. Interest of £549,874 (2011 £527,341) has been accrued on this balance as at 31 December 2012, interest of £22,672 (2011 £43,895) was paid 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.

Sales made to S Roff, a director, during the year amounted to £3,410 (2011 £4,817). The balance due from S Roff, a director, at the year end totaled £Nil (2011 £1,518).

The group is related to International Investment & Underwriting by virtue of a common director. During the year there were purchases of £2,962 (2011 £1,589). At the year end, and included in trade creditors, is an amount of £2,962 (2011 £1,589) owed by the group in respect of services provided during the year.