

**Driver Hire Contracts Limited**

**Directors' report and financial  
statements**

Registered number 5505360

Year ended 30 March 2008



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## **Officers and professional advisers**

### **Directors**

CM Chidley  
JD Andrews  
S Wortley

### **Secretary**

JD Andrews

### **Registered office**

Bradford Business Park  
King's Gate  
Canal Road  
Bradford  
BD1 4SJ

### **Auditors**

KPMG LLP  
Chartered Accountants  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

### **Bankers**

Bank of Scotland  
Lisbon House  
116 Wellington Street  
Leeds  
LS1 4LT

### **Solicitors**

Cobbetts  
Trafalgar House  
29 Park Place  
Leeds  
LS1 2SP

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 March 2008

### Principal activities

The principal activity of the company is to provide centralised invoicing to customers on behalf of our franchisees at a minimal cost to us

### Business review

The company continues to make progress with centralised invoicing and the directors expect this to continue in 2008/9

The directors do not recommend the payment of a dividend (2007 £nil) The profit for the financial period of £1,326 (2007 £nil) has been transferred to reserves

### Directors and directors' interests

The directors who held office during the period were as follows

CM Chidley  
JGD Storie (resigned as a director on 22 August 2007)  
S Wortley  
JD Andrews  
JP Bussey (resigned as a director on 22 August 2007)

Certain directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report

### Political and charitable donations

During the period the company did not make any political or charitable donations of a level requiring disclosure

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting

By order of the board

  
JD Andrews  
Director

Bradford Business Park  
King's Gate  
Canal Road  
Bradford  
BD1 4SJ

17 July 2008

## **Statement of directors' responsibilities in respect of the Directors' Report and the 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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities



## **KPMG LLP**

1 The Embankment  
Neville Street  
Leeds  
LS1 4DW  
United Kingdom

### **Independent auditors' report to the members of Driver Hire Contracts Limited**

We have audited the financial statements of Driver Hire Contracts Limited for the year ended 30 March 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent auditors' report to the members of Driver Hire Contracts Limited** *(continued)*

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 March 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

KPMG LLP

KPMG LLP

*Chartered Accountants  
Registered Auditor*

17 July 2008

**Profit and loss account**  
*for the year ended 30 March 2008*

	<i>Note</i>	<b>2008</b> £	<b>2007</b> £
<b>Turnover</b>		<b>216,184</b>	<b>631,747</b>
Cost of sales		<b>(214,527)</b>	<b>(631,747)</b>
		<hr/>	<hr/>
<b>Gross profit</b>		<b>1,657</b>	<b>-</b>
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	<b>2</b>	<b>1,657</b>	<b>-</b>
Tax on profit on ordinary activities	<b>3</b>	<b>(331)</b>	<b>-</b>
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation and result for the financial period</b>		<b>1,326</b>	<b>-</b>
		<hr/>	<hr/>

The company had no recognised gains and losses other than the losses above and therefore, no separate statement of total recognised gains and losses has been presented

There is no difference between the result on ordinary activities before taxation and the result for the period stated above and their historical cost equivalents

All of the trading during the period related to continuing operations as defined by FRS 3



**Balance sheet**  
*at 30 March 2008*

	<i>Note</i>	<b>2008</b> £	<b>2007</b> £
<b>Current assets</b>			
Debtors	4	42,499	1,975
<b>Creditors</b> amounts falling due within one year	5	(41,172)	(1,974)
<b>Net current assets</b>		<u>1,327</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	6	1	1
Profit and loss account	7	1,326	-
<b>Shareholders' funds</b>	8	<u>1,327</u>	<u>1</u>

These financial statements were approved by the board of directors on 17<sup>th</sup> July 2008 and were signed on its behalf by

  
**JD Andrews**  
 Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### ***Basis of preparation***

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

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with companies that are part of the ultimate holding company's group, on the grounds that the company is a wholly owned subsidiary and the ultimate parent holding company includes the company in its own consolidated financial statements

#### ***Turnover***

Turnover arises through acting as an intermediary between the customer and the franchisee for the supply of temporary staff. It represents amounts invoiced by the company in respect of sales completed during the period, excluding value added tax. There are no exports during the period (2007 £nil)

#### ***Deferred taxation***

Deferred tax is recognised, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

#### ***Leases***

When the company enters into finance leases for the acquisition of assets, the present value of the minimum rental payments is capitalised as an addition to fixed assets and an equivalent creditor set up. The difference between the minimum rental payments and their current value is treated as interest and is charged to the profit and loss account over the minimum rental period, at the appropriate lease interest rate. Depreciation is charged on the assets in accordance with the company's normal practice.

The rental costs of operating leases and contract hire agreements are charged to the profit and loss account as incurred.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Classification of financial instruments issued by the Company*

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

### 2 Profit on ordinary activities before taxation

	2008 £	2007 £
Profit on ordinary activities is stated after charging/(crediting)		
Auditors' remuneration	-	-
	<u>          </u>	<u>          </u>

Auditors' remuneration was borne by another group company, Driver Hire Group Services Limited

### 3 Tax on profit on ordinary activities

#### Analysis of charge in period

	2008 £	2007 £
Tax on profit on ordinary activities	331	-
	<u>          </u>	<u>          </u>

#### Reconciliation of current tax charge

	2008 £	2007 £
Profit on ordinary activities before tax	1,657	-
	<u>          </u>	<u>          </u>
Corporation tax in the UK at 20% and current tax charge for the period	331	-
	<u>          </u>	<u>          </u>

**Notes** *(continued)*

**4 Debtors**

	2008 £	2007 £
Trade debtors	40,499	-
Amount owed from other group undertakings	-	1,975
Other Debtors	2,000	-
	<u>42,499</u>	<u>1,975</u>

**5 Creditors amounts falling due within one year**

	2008 £	2007 £
Trade creditors	30,793	-
Amount owed to other group undertakings	9,993	-
Other taxation and social security	55	1,974
Corporation tax	331	-
	<u>41,172</u>	<u>1,974</u>

**6 Called up share capital**

	£
<i>Authorised</i>	
Ordinary shares of £1 each	100,000
<i>Issued, allotted and fully paid</i>	
Balance at 30 March 2008 and 25 March 2007	1

**7 Reserves**

	Profit and loss account £
Balance at 25 March 2007	-
Profit for the financial period	1,326
	<u>1,326</u>
Balance at 30 March 2008	1,326

**8 Movement on shareholders' funds**

	2008 £	2007 £
Profit for the period	1,326	-
Opening shareholders' funds	1	1
	<u>1,327</u>	<u>1</u>
Closing shareholders' funds	1,327	1

**Notes** *(continued)*

**9 Capital commitment**

There were no capital commitments contracted for but not provided at 30 March 2008

**10 Ultimate parent company**

The company's ultimate parent company is Driver Hire Investments Group Limited, a company incorporated in England and Wales

The accounts of Driver Hire Investments Group Limited are available from the company's registered office at Bradford Business Park, King's Gate, Canal Road, Bradford, BD1 4SJ