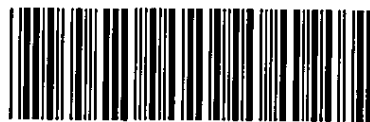


COMPANY REGISTRATION NUMBER 84167

ARRIVA YORKSHIRE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

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ARRIVA YORKSHIRE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

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ARRIVA YORKSHIRE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

R A Bowler
D Cocker
P Cummins
P Adcock
N P Featham

Company secretary

E A Thorpe

Registered office

Admiral Way
Doxford International Business Park
Sunderland
SR3 3XP

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
89 Sandyford Road
Newcastle upon Tyne
NE1 8HW

ARRIVA YORKSHIRE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2008

The directors present their report and the audited financial statements of the company for the year ended 31 December 2008.

Principal activities and business review

The principal activity of the company during the year was the operation of bus services in the North of England.

The directors consider the state of the company's affairs to be satisfactory and there have been no material changes since the balance sheet date.

Results and dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors do not recommend the payment of a dividend (2007: £nil).

The directors remain confident that the company will maintain its current level of performance in the future.

Financial risk management objectives and policies

Details of financial risk management objectives and policies are shown in the accounts of the ultimate parent company, Arriva plc.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to local and national competition and factors which would cause a decline in the market. Further discussion of these risks and uncertainties in the context of the group as a whole, is provided in the annual report of the ultimate parent company, Arriva plc, which does not form part of this report.

Key performance indicators

The directors of Arriva plc manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Arriva Yorkshire Limited. The development, performance and position of the group, including this company, is discussed in the group's annual report which does not form part of this report.

Directors

The directors who served the company during the year and up to the date of signing the financial statements were as follows:

R A Bowler
D Cocker
P Cummins
P Adcock
N P Featham

appointed 19 May 2008

Policy on the payment of creditors

The company's policy regarding the payment of supplies is to agree terms of payment at the start of business with each supplier to ensure that the supplier is made aware of the payments terms, and to pay in accordance with its contractual or legal obligation. Trade creditors at the year end represented 44 days (2007: 40 days) of purchases.

ARRIVA YORKSHIRE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2008

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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 the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disabled employees

The company continues to give full and fair consideration to applications for employment by disabled persons, having regard to their respective aptitudes and abilities. The company's policy includes, where applicable, the continued employment of those who may become disabled during their employment.

Employee involvement

The company recognises that its employees are key to its success and is committed to creating a working environment where everyone has the opportunity to learn, develop and contribute to the success of the group, working within a common set of values.

The group continues to aim to be an employer of choice and to employ a diverse workforce with the skills, abilities and attitudes to meet business objectives and needs. The group's aim is to provide appropriate remuneration, benefits and conditions of employment which will serve to attract, retain, motivate and reward such employees.

The group has, subject to the restraints of commercial confidentiality, continued its policy of employee involvement, by making information available to employees on a regular basis regarding recent and probable future developments and business activities.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

ARRIVA YORKSHIRE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2008

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to remain in office. An elective resolution has been passed to dispense with the obligation to appoint auditors annually.

By order of the board



E A Thorpe
Company secretary

4 March 2009

ARRIVA YORKSHIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARRIVA YORKSHIRE LIMITED

YEAR ENDED 31 DECEMBER 2008

We have audited the financial statements of Arriva Yorkshire Limited for the year ended 31 December 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the officers and professional advisers section and the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 judgements 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Newcastle upon Tyne
27 October 2009

ARRIVA YORKSHIRE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	Note	2008 £000	2007 £000
Turnover	2	25,937	24,331
Cost of sales		(20,333)	(20,027)
Gross profit		5,604	4,304
Administrative expenses		(3,949)	(3,598)
Other operating income		77	84
Operating profit	3	1,732	790
Interest receivable and similar income	6	6	11
Interest payable and similar charges	7	(362)	(450)
Profit on ordinary activities before taxation		1,376	351
Tax on profit on ordinary activities	8	(522)	(307)
Profit for the financial year	20	854	44

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the profit for the financial year as set out above.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents.

The notes on pages 7 to 14 form part of these financial statements.

ARRIVA YORKSHIRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2008

	Note	2008 £000	2007 £000
Fixed assets			
Intangible assets	9	1,004	1,104
Tangible assets	10	3,699	4,503
		<u>4,703</u>	<u>5,607</u>
Current assets			
Stocks	11	122	152
Debtors	12	35,357	35,059
Cash at bank and in hand		301	297
		<u>35,780</u>	<u>35,508</u>
Creditors: Amounts falling due within one year	14	<u>(33,264)</u>	<u>(34,699)</u>
Net current assets		<u>2,516</u>	<u>809</u>
Total assets less current liabilities		<u>7,219</u>	<u>6,416</u>
Creditors: Amounts falling due after more than one year	15	-	(51)
Net assets		<u>7,219</u>	<u>6,365</u>
Capital and reserves			
Called up share capital	19	1,311	1,311
Profit and loss account	20	5,908	5,054
Total shareholders' funds	21	<u>7,219</u>	<u>6,365</u>

These financial statements were approved by the directors on the 4 March 2009 and are signed on their behalf by:



R A Bowler
Director

The notes on pages 7 to 14 form part of these financial statements.

ARRIVA YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

1. Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985/2006 applicable to companies reporting under UK GAAP, and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Cash flow statement

The company is a wholly owned subsidiary and the ultimate parent company has prepared a group cash flow statement. Accordingly, under Financial Reporting Standard 1 (Revised 1996) 'Cash Flow Statements', the company is exempt from preparing a cash flow statement.

Turnover

Turnover consists of the gross revenue for road passenger transport together with the aggregate amounts receivable for other goods and services supplied in the ordinary course of the business, excluding value added tax. Income is accrued where it is earned in an earlier period to that in which it is billed or received in cash. Income is deferred where it is received in an earlier period than that to which it relates.

Goodwill

For acquisitions after 1 January 1998, goodwill, which represents the excess of cost of acquisitions of businesses over the value attributed to their net assets, is amortised through the profit and loss account by equal annual instalments over its estimated useful economic life up to a maximum of 20 years. Goodwill previously eliminated against reserves has not been reinstated and will only be charged to the profit and loss account on the subsequent disposal of any business to which it related. Goodwill is tested annually for impairment.

Other intangible assets

Other intangible assets relate to licences for the use of the Arriva brand name and they are being amortised through the profit and loss account over a period of 15 years.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property - 2% straight line

Plant, machinery, fixtures and motor vehicles - 10% to 48% straight line

Public service vehicles – straight line over periods up to 15 years

Stocks

Stocks are valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Leasing and hire purchase commitments

Where assets are financed by leasing agreements ('finance leases') the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding. Assets under finance leases are depreciated over their estimated useful life or the term of the lease, whichever is the shorter.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

ARRIVA YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

1. Accounting policies (*continued*)

Leasing and hire purchase commitments (*continued*)

Where assets are leased out under a finance lease arrangement any amounts due from the lessee are recorded in the balance sheet as a debtor at the amount of the net investment in the lease. Finance lease income under the finance lease is allocated to accounting periods so as to give a constant periodic rate of return on the net cash investment in the lease each period.

Pension costs

Arriva plc operates retirement benefit schemes, both defined benefit and defined contribution schemes, which cover employees of the company. The assets of the defined benefit scheme are held separately from those of the company in independently administered funds. As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme. Contributions payable by the company are charged to the profit and loss account in the period in which they fall due. Contributions payable under the defined contribution scheme are charged to the profit and loss account as they arise.

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.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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

2. Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the United Kingdom.

3. Operating profit

Operating profit is stated after charging/(crediting):

	2008	2007
	£000	£000
Amortisation of intangible fixed assets	100	99
Depreciation of owned fixed assets	318	310
Depreciation of assets held under hire purchase and finance lease agreements	565	653
Loss/(profit) on disposal of fixed assets	3	(4)
Auditors' remuneration:		
- audit fees	24	17
- for other services	10	13
Operating lease costs:		
- public service vehicles	1,236	791
- land and buildings	7	7

ARRIVA YORKSHIRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

4. Particulars of employees

The average monthly number of staff employed by the company during the financial year by activity amounted to:

	2008	2007
	Number	Number
Drivers	481	496
Engineering	45	53
Administrative	88	85
	<u>614</u>	<u>634</u>

The aggregate payroll costs of the above were:

	2008	2007
	£000	£000
Wages and salaries	13,177	12,988
Social security costs	936	988
Other pension costs (note 17)	832	810
	<u>14,945</u>	<u>14,786</u>

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2008	2007
	£000	£000
Aggregate emoluments	283	325
Employers' pension contributions	37	32
	<u>320</u>	<u>357</u>

Emoluments of highest paid director:

	2008	2007
	£000	£000
Total emoluments	102	142
Employers' pension contributions	12	17
	<u>114</u>	<u>159</u>

Benefits are accruing under a defined benefits pension scheme and, at the year end the accrued pension amounted to £44,130 (2007 - £37,924).

The number of directors who accrued benefits under company pension schemes was as follows:

	2008	2007
	Number	Number
Defined benefit schemes	<u>4</u>	<u>3</u>

6. Interest receivable and similar income

	2008	2007
	£000	£000
Interest from group undertakings	3	8
Finance charges receivable	3	3
	<u>6</u>	<u>11</u>

ARRIVA YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

7. Interest payable and similar charges

	2008	2007
	£000	£000
Interest payable on bank overdraft	328	348
Hire purchase and finance lease charges	34	102
	<u>362</u>	<u>450</u>

8. Tax on profit on ordinary activities

(a) Analysis of charge in the year

	2008	2007
	£000	£000
Current tax:		
UK corporation tax		
Current year	203	(52)
Adjustments in respect of prior years	74	977
Total current tax	<u>277</u>	<u>925</u>
Deferred tax:		
Current year – origination and reversal of timing differences	232	267
Adjustment in respect of prior years	13	(885)
Total deferred tax (note 13)	<u>245</u>	<u>(618)</u>
Tax on profit on ordinary activities	<u>522</u>	<u>307</u>

(b) Factors affecting current tax charge

The tax assessed for the year is lower (2007: higher) than the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below:

	2008	2007
	£000	£000
Profit on ordinary activities before taxation	<u>1,376</u>	<u>351</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007: 30%)	392	105
Depreciation in respect of ineligible assets	18	19
Capital allowances in excess of depreciation	(235)	(206)
Adjustment in respect of prior years	74	977
Non-allowable amortisation of intangible fixed assets	28	30
Total current tax (note 8 (a))	<u>277</u>	<u>925</u>

(c) Factors that may affect future tax charges

The standard rate of corporation tax in the UK changed to 28% with effect from 1 April 2008.

ARRIVA YORKSHIRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

9. Intangible assets

	Goodwill £000	Licences £000	Total £000
Cost			
At 1 January 2008 and 31 December 2008	<u>259</u>	<u>1,300</u>	<u>1,559</u>
Accumulated amortisation			
At 1 January 2008	108	347	455
Charge for the year	13	87	100
At 31 December 2008	<u>121</u>	<u>434</u>	<u>555</u>
Net book value			
At 31 December 2008	<u>138</u>	<u>866</u>	<u>1,004</u>
At 31 December 2007	<u>151</u>	<u>953</u>	<u>1,104</u>

10. Tangible assets

	Freehold property £000	Plant, machinery, fixtures and motor vehicles £000	Public service vehicles £000	Total £000
Cost				
At 1 January 2008	1,280	2,828	9,952	14,060
Additions	—	118	224	342
Disposals	—	(2)	(884)	(886)
Transfers with group companies	—	—	(1,545)	(1,545)
At 31 December 2008	<u>1,280</u>	<u>2,944</u>	<u>7,747</u>	<u>11,971</u>
Accumulated depreciation				
At 1 January 2008	373	2,201	6,983	9,557
Charge for the year	65	199	619	883
Disposals	—	(1)	(849)	(850)
Transfers with group companies	—	—	(1,318)	(1,318)
At 31 December 2008	<u>438</u>	<u>2,399</u>	<u>5,435</u>	<u>8,272</u>
Net book value				
At 31 December 2008	<u>842</u>	<u>545</u>	<u>2,312</u>	<u>3,699</u>
At 31 December 2007	<u>907</u>	<u>627</u>	<u>2,969</u>	<u>4,503</u>

Hire purchase and finance lease agreements

Included within the net book value of £3,699,000 is £1,930,000 (2007: £2,726,000) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £565,000 (2007: £653,000).

11. Stocks

	2008 £000	2007 £000
Raw materials and consumables	<u>122</u>	<u>152</u>

ARRIVA YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

12. Debtors

	2008	2007
	£000	£000
Trade debtors	175	166
Amounts owed by group undertakings	32,300	32,507
Corporation tax	-	3
Other debtors	352	400
Amounts receivable under finance leases	35	41
Deferred taxation (note 13)	595	840
Prepayments and accrued income	1,900	1,102
	<u>35,357</u>	<u>35,059</u>

13. Deferred taxation

The deferred tax included in the balance sheet is as follows:

	2008	2007
	£000	£000
Included in debtors (note 12)	<u>595</u>	<u>840</u>

The movement in deferred tax during the year was:

	2008
	£000
Deferred tax asset brought forward	840
Profit and loss account movement arising during the year (note 8)	(245)
Deferred tax asset carried forward	<u>595</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2008	2007
	£000	£000
Excess of capital allowances over depreciation on fixed assets/(excess of depreciation on fixed assets over capital allowances)	560	(18)
Other short term timing differences	35	34
Trading losses	-	824
	<u>595</u>	<u>840</u>

14. Creditors: Amounts falling due within one year

	2008	2007
	£000	£000
Bank overdrafts	3,754	7,444
Trade creditors	940	827
Amounts owed to group undertakings	23,998	21,157
Corporation tax	203	-
Other taxation and social security costs	630	745
Hire purchase and finance lease agreements (note 16)	51	838
Other creditors	763	1,019
Accruals and deferred income	2,925	2,669
	<u>33,264</u>	<u>34,699</u>

The company is party to an unlimited multi-lateral guarantee involving the bank borrowings of Arriva plc and other group undertakings.

ARRIVA YORKSHIRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

15. Creditors: Amounts falling due after more than one year

	2008	2007
	£000	£000
Hire purchase and finance lease agreements (note 16)	-	51

16. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows:

	2008	2007
	£000	£000
Amounts payable within 1 year	51	838
Amounts payable between 1 and 5 years	-	51
	<u>51</u>	<u>889</u>

Hire purchase and finance lease balances are secured by charges over the related assets.

17. Pensions

At 31 December 2008 the ultimate parent company, Arriva plc, operated both defined benefit and defined contribution retirement benefit schemes providing benefits to certain employees within Arriva Yorkshire Limited. The scheme is financed through separate Trustee administered funds managed by independent professional fund managers on behalf of the Trustees.

Contributions to the defined benefit scheme, the Arriva Yorkshire Pension Scheme, are based upon actuarial advice following the most recent actuarial valuation of the fund. The latest actuarial valuation was performed as at 5 April 2007, using the Projected Unit Method. The principal actuarial assumptions were that:

(i) the annual rate of return on investment would be 1.75 per cent higher than the annual increase in total pensionable remuneration of 4.5 per cent; and

(ii) there would be no variation from the scheme's rules to pensions in payment.

On the basis of these assumptions the actuarial value of the funds at 5 April 2007 was sufficient to cover 43 per cent of the benefits then accrued to members. The market value of the Scheme's assets at 5 April 2007 was £36.6 million.

The pensions cost for the year represents contributions payable by the company to the scheme and amounted to £832,000 (2007: £810,000).

FRS 17 'Retirement benefits'

The company makes contributions to a defined benefit scheme, the Arriva Yorkshire Pension Scheme which is operated by the ultimate parent company, Arriva plc. Other companies within the Arriva Group make contributions to the scheme, therefore it is not possible for the company to identify its share of the underlying assets and liabilities as at 31 December 2008. As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme. Contributions payable by the company are charged to the profit and loss account in the period in which they fall due.

18. Commitments under operating leases

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as set out below:

	2008	2007
	£000	£000
Land and building operating leases which expire:		
Within 2 to 5 years	<u>7</u>	<u>7</u>
Public service vehicles operating leases which expire:		
Within 2 to 5 years	939	61
After more than 5 years	277	726
	<u>1,216</u>	<u>787</u>

ARRIVA YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

19. Called up share capital

Authorised share capital:

	2008	2007
	£	£
1,429,678 ordinary shares of £1 each	<u>1,429,678</u>	<u>1,429,678</u>

Allotted and fully paid:

	2008		2007	
	Number	£	Number	£
Ordinary shares of £1 each	<u>1,310,753</u>	<u>1,310,753</u>	<u>1,310,753</u>	<u>1,310,753</u>

20. Reserves

	Profit and loss account	
	2008	2007
	£000	£000
Balance brought forward		5,054
Profit for the financial year		854
Balance carried forward		<u>5,908</u>

21. Reconciliation of movements in shareholders' funds

	2008	2007
	£000	£000
Profit for the financial year	854	44
Opening shareholders' funds	<u>6,365</u>	<u>6,321</u>
Closing shareholders' funds	<u>7,219</u>	<u>6,365</u>

22. Ultimate parent company

The ultimate parent company and ultimate controlling party is Arriva plc, a company registered in England and Wales, and which is the smallest and largest group of undertakings that has prepared group accounts incorporating the results of Arriva Yorkshire Limited. Copies of these accounts can be obtained from 1 Admiral Way, Doxford International Business Park, Sunderland, Tyne and Wear, SR3 3XP.

Transactions with other companies in the Arriva group are not specifically disclosed as the company has taken advantage of the exemption available under FRS 8 'Related party disclosures' for wholly-owned subsidiaries.