

Provincial Assessors Limited

Annual report and financial statements
for the year ended 31 December 2005

Registered number: 2810561



Provincial Assessors Limited

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Provincial Assessors Limited

Directors and advisors

Directors

I Wardle
J S Leigh

Secretary

Jane M Colton

Auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Registered office

James House
55 Welford Road
Leicester
LE2 7AR

Provincial Assessors Limited

Directors' report for the year ended 31 December 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Results and dividends

The profit after tax for the year amounted to £463,198 (2004: £197,545). The directors do not recommend the payment of any dividends.

Principal activities and review of the business

The principal activity of the company is that of accident damage assessment and reporting, and is expected to continue in that capacity for the foreseeable future.

The directors consider the level of trading to be satisfactory for the year to 31 December 2005.

Directors

The directors who served the company during the year were as follows:

I Wardle
J S Leigh

There are no directors' interests requiring disclosure under the Companies Act 1985.

No directors held any beneficial interest in shares or debentures of the company, its fellow subsidiaries or parent company at 31 December 2005 or at 31 December 2004.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2005 and that applicable accounting standards have been followed.

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.

Provincial Assessors Limited

Directors' report for the year ended 31 December 2005 (continued)

Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution to formally reappoint them as auditors to the company will be proposed at the annual general meeting.

By order of the board



Jane M Colton
Secretary
21 April 2006

Independent auditors report to the shareholders of Provincial Assessors Limited

We have audited the financial statements of Provincial Assessors Limited for the year ended 31 December 2005 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 other 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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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.

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 2005 and of its profit for the year then ended; and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

21 April 2006

Provincial Assessors Limited

Profit and loss account for the year ended 31 December 2005

	Notes	2005 £	2004 £
Turnover	2	708,180	582,470
Cost of sales		(291,974)	(262,058)
Gross profit		416,206	320,412
Administrative expenses		(37,670)	(38,205)
Profit on ordinary activities before taxation	3	378,536	282,207
Tax on profit on ordinary activities	5	84,662	(84,662)
Profit retained for the financial year		463,198	197,545

All the above results are derived from continuing operations.

The company has no recognised gains and losses other than those reflected in the profit and loss account and there is no difference between the above results and those reported on an unmodified historical cost basis.

A reconciliation of shareholders' funds and movement on reserves is shown in note 11 to the financial statements.

Provincial Assessors Limited

Balance sheet as at 31 December 2005

	Notes	2005 £	2004 £
Current assets			
Debtors	6	2,279,387	1,892,851
Creditors: amounts falling due within one year	7	-	(76,662)
Net assets		2,279,387	1,816,189
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	2,279,385	1,816,187
Equity shareholders' funds	11	2,279,387	1,816,189

The financial statements on pages 5 to 11 were approved by the board of directors and signed on its behalf by:



J Wardle Director

21 April 2006



J S Leigh Director

The accompanying notes form an integral part of these accounts.

Provincial Assessors Limited

Notes to the financial statements for the year ended 31 December 2005

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention.

The UK directors have reviewed the financial position, current trading, forecasts and available borrowing facilities of the UK group (both in respect of overdraft and vehicle financing facilities), and have concluded that the application of the going concern assumption remains appropriate in preparing these accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No.1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements.

Taxation

Corporation tax payable is provided on taxable profits at the current rate. Where possible, the company will take advantage of group relief provisions to offset taxable profits against taxable losses arising in other group undertakings in the period.

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 have occurred at that date which will result in an obligation to pay more, or a right to pay less tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

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Notes to the financial statements for the year ended 31 December 2005 (continued)

1 Accounting policies (continued)

Pension costs

During the year, the group has adopted Financial Reporting Standard No.17. The company is a participating employer of a defined benefit pension scheme that is established by a fellow group company, and in accordance with Financial Reporting Standard No.17 (and the treatment adopted in previous years) the company has accounted for its contributions to the scheme as if it were a defined contribution scheme. This is because it is not possible to identify the company's share of the assets and liabilities in the scheme on a consistent and reasonable basis.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Turnover

All turnover represents the gross amount receivable from inspection fees, exclusive of value added tax. The business is operated entirely within the United Kingdom.

3 Operating profit

The audit fees of the company were borne by Vanguard Rental (UK) Limited.

4 Staff costs

The average number of employees during the year was as follows:

	2005	2004
	No.	No.
Technical	4	4

	2005	2004
	£	£
Wages and salaries	106,550	103,417
Social security costs	11,379	10,111
Pension costs	32,410	31,925
	150,339	145,453

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Notes to the financial statements for the year ended 31 December 2005 (continued)

5 Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2005	2004
	£	£
Current tax:		
Corporation tax (note 5(b))	-	84,662
Adjustment in respect of prior years		
Corporation tax	(84,662)	-
Total current tax	(84,662)	84,662

(b) Factors affecting current tax charge in period

	2005	2004
	£	£
Profit on ordinary activities before tax	378,536	282,207
Profit on ordinary activities before tax @ 30%	113,561	84,662
Effect of utilisation of group relieved tax losses	(113,561)	-
Total current tax (note 5(a))	-	84,662

6 Debtors

	2005	2004
	£	£
Amounts owed by group undertakings	2,271,387	1,892,851
Corporation tax	8,000	-
	2,279,387	1,892,851

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Notes to the financial statements for the year ended 31 December 2005 (continued)

7 Creditors: amounts falling due within one year

	2005	2004
	£	£
Corporation tax	-	76,662

8 Contingent liability

The company, along with certain other UK group undertakings, has entered into cross guarantees in respect of a revolving credit and overdraft facility. The amount outstanding on the facility at year end was £nil (2004: £3 million).

The directors are of the opinion that these arrangements will not have a material impact on the results or position of the company.

9 Related party transactions

The company has taken advantage of the exemption offered under Financial Reporting Standard No.8 not to disclose related party transactions within a group whose consolidated financial statements are available to the public. There are no other related party transactions requiring disclosure in the period.

10 Share capital

	2005		2004	
	Number	£	Number	£
Authorised				
Ordinary shares of £1 each	100	100	100	100
Allotted, called-up and fully paid				
Ordinary shares of £1 each	2	2	2	2

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Notes to the financial statements for the year ended 31 December 2005 (continued)

11 Reconciliation of shareholders' funds and movement on reserves

	Share capital	Profit and loss account	Total shareholders' funds
	£	£	£
At 1 January 2005	2	1,816,187	1,816,189
Profit for the year		463,198	463,198
At 31 December 2005	2	2,279,385	2,279,387

12 Pension scheme

The company is a participating employer of a funded defined benefit pension scheme established by Vanguard Rental Limited known as Vanguard Rental Pension Scheme.

Information on the Vanguard Rental Pension Scheme is contained in the Vanguard Rental (Holdings) Limited financial statements for the year ended 31 December 2005. Additional disclosures regarding the group defined benefit pension scheme are required under the transitional provisions of Financial Reporting Standard No.17. In accordance with Financial Reporting Standard No.17, the company will account for its contributions to the scheme as if it were a defined contribution scheme because it is not possible to identify the company's share of the assets and liabilities in the scheme on a consistent and reasonable basis.

The latest actuarial valuation of the scheme, prepared for the purposes of making the transitional disclosures in accordance with Financial Reporting Standard No.17 in the consolidated financial statements of the parent undertaking, Vanguard Rental (Holdings) Limited, shows a deficit of £7,202,000 (2004: £1,311,000). Further details of this valuation can be found in the financial statements of the parent undertaking, Vanguard Rental (Holdings) Ltd.

13 Ultimate parent company

The company's ultimate parent company and controlling party is Worldwide Excellerated Leasing Limited, a company registered in Bermuda.

The largest group into which the company's results are consolidated is Worldwide Excellerated Leasing Limited. The smallest group into which the company's results are consolidated is Vanguard Rental (Holdings) Limited.

Copies of the financial statements of Vanguard Rental (Holdings) Limited for the period ended 31 December 2005 are available from The Secretary, Vanguard Rental (Holdings) Limited, James House, 55 Welford Road, Leicester, LE2 7A.