

COMPANY REGISTRATION NUMBER 2953095

**UNITED AUTOMOBILE SERVICES LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2003**



# **UNITED AUTOMOBILE SERVICES LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

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# **UNITED AUTOMOBILE SERVICES LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **The Board of Directors**

D P Turner  
R A Bowler

### **Company Secretary**

D P Turner

### **Registered Office**

Admiral Way  
Doxford International Business Park  
Sunderland  
SR3 3XP

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants  
& Registered Auditors  
89 Sandford Road  
Newcastle upon Tyne  
NE99 1PL

# **UNITED AUTOMOBILE SERVICES LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2003**

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The Directors present their report and the financial statements of the Company for the year ended 31 December 2003.

### **Principal activities and business review**

The Company's principal activity is that of a holding company.

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 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 recommend the payment of a dividend amounting to £26,823,000 (2002: £2,000,000).

### **Directors**

The Directors who served the Company during the year were as follows:

S P Lonsdale  
D P Turner  
R A Bowler

None of the Directors had any interest in the share capital of the Company during the year.

S P Lonsdale is also a Director of the ultimate parent company, Arriva plc, and his interests in the share capital of that company are disclosed in its Directors' Report.

The interests of R A Bowler in the ordinary share capital of Arriva plc are shown in the Directors' Report of the immediate parent company, Arriva Passenger Services Limited.

The interests of D P Turner in the ordinary share capital of Arriva plc are shown in the Directors' Report of the fellow group company, Arriva International Limited.

S P Lonsdale resigned as a Director on 24 February 2004.

### **Statement of Directors' responsibilities**

Company law requires the Directors to prepare financial statements for each financial period which 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 2003 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the 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.

# UNITED AUTOMOBILE SERVICES LIMITED

## THE DIRECTORS' REPORT *(continued)*

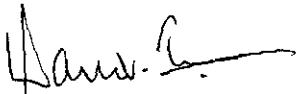
**YEAR ENDED 31 DECEMBER 2003**

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### Auditors

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

Signed by order of the Directors



D P Turner  
Company Secretary

3 March 2004

# UNITED AUTOMOBILE SERVICES LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED AUTOMOBILE SERVICES LIMITED

YEAR ENDED 31 DECEMBER 2003

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We have audited the financial statements which comprise the profit and loss account, the balance sheet and related notes.

### Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' report.

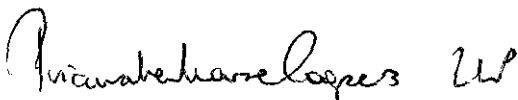
### Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the Company's affairs as at 31 December 2003 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  
Newcastle upon Tyne  
20 October 2004

# UNITED AUTOMOBILE SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2003

	Note	2003 £000	2002 £000
Turnover		—	—
Administrative expenses		—	—
Operating profit		—	—
Income from shares in group undertakings		32,878	2,000
Loss on disposal of investments	3	(6,055)	—
Profit on ordinary activities before taxation		26,823	2,000
Tax on profit on ordinary activities	4	—	—
Profit on ordinary activities after taxation		26,823	2,000
Dividends	5	(26,823)	(2,000)
Retained profit for the financial year		—	—

The Company has no recognised gains or losses other than the results for the year as set out above.

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

The notes on pages 7 to 9 form part of these financial statements.

# UNITED AUTOMOBILE SERVICES LIMITED

## BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £000	2002 £000
<b>Fixed assets</b>			
Investments	6	—	13,085
<b>Current assets</b>			
Debtors	7	39,908	—
Cash at bank		—	154
		39,908	154
<b>Creditors: Amounts falling due within one year</b>	8	26,823	154
<b>Net current assets</b>		13,085	—
<b>Total assets less current liabilities</b>		13,085	13,085
<b>Capital and reserves</b>			
Called-up equity share capital	9	12,026	12,026
Other reserves	10	1,059	1,059
<b>Equity shareholders' funds</b>	11	13,085	13,085

These financial statements were approved by the Directors on 3 March 2004 and are signed on their behalf by:



R A Bowler  
Director

The notes on pages 7 to 9 form part of these financial statements.



# UNITED AUTOMOBILE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, using the accounting policies set out below and in accordance with applicable accounting standards.

#### Cash flow statement

The Company is a wholly owned subsidiary and the ultimate parent company has prepared a group cashflow statement. Accordingly, under Financial Reporting Standards No.1 (Revised), the Company is exempt from preparing a cash flow statement.

#### Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

#### Investment income

Investment income comprises dividends and interest and is accounted for on a receivable basis.

### 2. Particulars of employees

No salaries or wages have been paid to employees, including the Directors, during the year (2002: £nil).

### 3. Loss on disposal of investments

	2003	2002
	£000	£000
Loss on disposal of investments (note 6)	<u>6,055</u>	<u>—</u>

### 4. Tax on profit on ordinary activities

#### Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2002 - 30%).

	2003	2002
	£000	£000
Profit on ordinary activities before taxation	<u>26,823</u>	<u>2,000</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	8,047	600
Non-taxable dividend income received from UK companies	(9,863)	(600)
Non-taxable loss on sale of investments	<u>1,816</u>	<u>—</u>
Total current tax	<u>—</u>	<u>—</u>

### 5. Dividends

The following dividends have been proposed in respect of the year:

	2003	2002
	£000	£000
Proposed dividend on ordinary shares of £2.79 per share (2002: £0.21 per share)	<u>26,823</u>	<u>2,000</u>

# UNITED AUTOMOBILE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 6. Investments

##### Shares in group undertakings

	£000
<b>Cost</b>	
At 1 January 2003	13,085
Disposals	(13,085)
At 31 December 2003	<u>—</u>
<b>Net book value</b>	
At 31 December 2003	<u>—</u>
At 31 December 2002	<u>13,085</u>

On 31 December 2003, the Company transferred its investments held to Arriva Passenger Services Limited. The consideration received was £7,030,000 resulting in a loss of £6,055,000.

#### 7. Debtors

	2003 £000	2002 £000
Amounts owed by group undertakings	<u>39,908</u>	<u>—</u>

#### 8. Creditors: Amounts falling due within one year

	2003 £000	2002 £000
Amounts owed to group undertakings	<u>26,823</u>	<u>154</u>

#### 9. Share capital

##### Authorised share capital:

	2003 £	2002 £
9,621,000 Ordinary shares of £1.25 each	<u>12,026,250</u>	<u>12,026,250</u>

##### Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1.25 each	<u>9,621,000</u>	<u>12,026,250</u>	<u>9,621,000</u>	<u>12,026,250</u>

#### 10. Other reserves

	2003 £000	2002 £000
Capital reserve	<u>1,059</u>	<u>1,059</u>

# UNITED AUTOMOBILE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

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#### 11. Reconciliation of movements in shareholders' funds

	2003 £000	2002 £000
Profit for the financial year	26,823	2,000
Dividends	(26,823)	(2,000)
	<u>          </u>	<u>          </u>
	-	-
Opening equity shareholders' funds	13,085	13,085
Closing equity shareholders' funds	<u>13,085</u>	<u>13,085</u>

#### 12. Ultimate parent company

The ultimate parent company and ultimate controlling party is Arriva plc, a company registered in England and Wales, and which has prepared group accounts incorporating the results of United Automobile Services Limited. Copies of these accounts can be obtained from Admiral Way, Doxford International Business Park, Sunderland, 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.