

Trackstar Limited

Directors' report and financial statements For the year ended 31 December 2009

Registered Number 3685044

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Company information

Registered Number

3685044

Registered Office

Martell House
University Way
Cranfield
Bedfordshire
MK43 0TR

Auditors

KPMG Audit Plc
Chartered Accountants and
Registered Auditor
1 Waterloo Way
Leicester
LE1 6LP

Bankers

Barclays Bank Plc
11 Bank Court
Hemel Hempstead
HP1 1BX

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the Company is the supply of stolen vehicle tracking and recovery systems

Results

The results for the year are set out in the profit and loss account on page 5. These show a profit of £115,000 (2008 £6,000 loss) after tax on turnover of £3,138,000 (2008 £4,259,000). The directors do not recommend that a dividend be paid.

In December 2009, the business of Trackstar Ltd was transferred into Trafficmaster Plc and the Company ceased trading from 1 January 2010.

Directors

The directors who held office during the year were as follows:

S Berman

Political and charitable contributions

The Company made no political or charitable contributions during the year (2008 £nil).

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

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Small Company exemptions

The directors' report has been prepared in accordance with the small companies' exemption of S415A of the Companies Act 2006.

By order of the board



Debra Shirley
Company Secretary

30 July 2010

Martell House
University Way
Cranfield
Bedfordshire
MK43 0TR

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 year. 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).

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 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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 Audit plc

1 Waterloo Way
Leicester
LE1 6LP
United Kingdom

Independent auditors' report to the members of Trackstar Limited

We have audited the financial statements of Trackstar Limited for the year ended 31 December 2009 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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.

JD Leech (Senior Statutory Auditor)
for and on behalf of KPMG Audit plc
Chartered Accountants, Statutory Auditor, Leicester, LE1 6LP

Date: 30 July 2010

Profit and loss account

for the year ended 31 December 2009

	<i>Note</i>	2009 £000	2008 £000
Turnover	<i>1</i>	3,138	4,259
Cost of sales		(2,333)	(3,046)
Gross profit		805	1,213
Administrative expenses		(674)	(1,087)
Operating Profit		131	126
Interest payable	<i>5</i>	-	(132)
Profit/(loss) on ordinary activities before taxation	<i>3</i>	131	(6)
Tax on profit on ordinary activities	<i>6</i>	(16)	-
Retained profit/(loss) for the year after taxation	<i>11</i>	115	(6)

There were no recognised gains or losses other than those recorded in the profit and loss account.

The results are derived from continuing operations

There is no difference between the profit on ordinary activities before taxation as disclosed in the profit and loss account and the profit on an unmodified historical cost basis

Balance sheet
as at 31 December 2009

	<i>Note</i>	2009 £000	2008 £000
Current assets			
Debtors due within one year	7	-	6
Debtors due after more than one year	7	-	16
Debtors	7	-	22
Cash at bank and in hand		-	40
		-	62
Creditors amounts falling due within one year		-	-
		-	62
Net current assets		-	62
Total assets less current liabilities		-	62
Creditors , amounts falling due after more than one year	8	-	(1,900)
Net liabilities		-	(1,838)
Capital and reserves			
Called up share capital	10	10	10
Capital contribution		1,723	-
Profit and loss account	11	(1,733)	(1,848)
Equity shareholders' funds/(deficit)		-	(1,838)

These financial statements were approved by the board of directors on 30 July 2010
and were signed on its behalf by



Stuart Berman
Director

Registered company number 3685044

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2009

	2009 £000	2008 £000
Profit/(loss) for the financial year	115	(6)
Capital contribution from the parent	1,723	-
Opening equity shareholders' deficit	(1,838)	(1,832)
Closing equity shareholders' funds/(deficit)	-	(1,838)

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 convention

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

Under FRS 8 the Company is exempt from the requirement to disclose related party transactions with the Trafficmaster Group and its associated undertakings on the grounds that it is a wholly owned subsidiary undertaking of Trafficmaster Plc

Taxation

The charge for the year is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised without discounting 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 recognised by FRS 19

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary difference can be utilised

Turnover and deferred income

Turnover is measured as the fair value of the consideration received or receivable and represents amounts receivable for services provided over the normal course of business. If it is probable that discounts will be granted and that amount can be measured reliably, then the discount is recognised as a reduction in turnover as the sales are recognised

Turnover from services is generally recognised on a straight line basis over the service period, unless there is evidence that some other method better represents the stage of completion

2 Directors' emoluments

None of the directors received any emoluments from the Company during the year (2008 nil)

3 Profit on ordinary activities before taxation

	2009 £000	2008 £000
<i>Auditors' remuneration</i>		
Audit of these financial statements	16	16

Amounts receivable by the Company's auditors and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Trafficmaster plc

Notes *(continued)*

4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	2009 No	2008 No
Administration	5	15
Sales	4	6
	<hr/>	<hr/>
	9	21
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows

	2009 £000	2008 £000
Wages and salaries	181	457
Social security costs	21	50
	<hr/>	<hr/>
	202	507
	<hr/>	<hr/>

All salaries were paid by the parent Company, Trafficmaster Plc, and recharged to Trackstar Limited

5 Interest payable and similar charges

	2009 £000	2008 £000
Other interest payable	-	132
	<hr/>	<hr/>

6 Taxation

	2009 £000	2008 £000
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Total current tax	-	-
Deferred taxation (<i>see note 9</i>)	16	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	16	-
	<hr/>	<hr/>

Notes (continued)

6 Taxation (continued)

The current tax charge for the year is lower (2008: lower) than the standard rate of corporation tax in the UK, 28.0% (2008: 28.5%). The differences are explained below:

	2009 £000	2008 £000
Profit/(loss) on ordinary activities before tax	115	(6)
Current tax at 28.0% (2008: 28.5%)	32	(2)
Effects of: Losses available to carry forward	(32)	2
Total current tax (see above)	-	-

Gross tax losses of £10,000 (2008: £141,000) are available to carry forward against future taxable profits of the same trade.

7 Debtors

	2009 £000	2008 £000
Trade debtors	-	6
Deferred tax asset (see note 9)	-	16
	-	22

8 Creditors: amounts falling due after more than one year

	2009 £000	2008 £000
Amounts owed to group undertakings	-	1,900

Notes *(continued)*

9 Provisions for liabilities and charges

Deferred taxation

	2009 £000	2008 £000
At 1 January	(16)	(16)
Charge to the profit and loss account for the year	16	-
	<hr/>	<hr/>
Asset at 31 December	-	(16)
	<hr/>	<hr/>

The elements of deferred taxation are as follows

	2009 £000	2008 £000
Tax losses	-	16
	<hr/>	<hr/>
Deferred tax asset	-	16
	<hr/>	<hr/>

A deferred tax asset of £16,000 has been de-recognised on the basis that its future economic benefit is uncertain

10 Called up share capital

	2009 £000	2008 £000
<i>Authorised</i>		
10,000 'A' ordinary shares of £1.00 each	10	10
10,000 'B' ordinary shares of £1.00 each	10	10
	<hr/>	<hr/>
	20	20
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
10,000 'A' ordinary shares of £1.00 each	10	10
	<hr/>	<hr/>

Notes *(continued)*

11 Reserves

	Profit and Loss £000
At 1 January 2009	(1,848)
Capital contribution	1,723
Retained profit for the year	115
	<hr/>
At 31 December 2009	(10)
	<hr/>

12 Contingent liability

The Company is party to a cross guarantee with respect to the bank borrowings of certain group companies. At 31 December 2009, the net bank overdraft of parties subject to this guarantee was £Nil (2008 £Nil)

13 Ultimate parent company

The Company is a wholly owned subsidiary of Trafficmaster Plc incorporated in England and Wales

The largest group in which the results of the Company are consolidated is that headed by Trafficmaster Plc. The consolidated accounts of this group are available to the public and may be obtained from Trafficmaster Plc, Martell House, University Way, Cranfield, Bedfordshire, MK43 0TR

14 Post balance sheet event

On 29 July 2010 the board of Trafficmaster Plc, the ultimate parent company, approved the acquisition of Trafficmaster Plc's entire share capital by Vector UK, a wholly owned subsidiary of Vector Capital