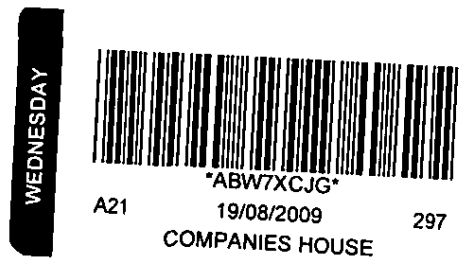


# Carrier Rental Systems Limited

Registered in England and Wales No. 3807755

**Report and Financial Statements** *for the 52 weeks ended 27 December 2008*



**Carrier**  
**Rental Systems**

# **Carrier Rental Systems Limited**

## **Report and Financial Statements *for the 52 weeks ended 27 December 2008***

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## **Directors, Officers and Advisers**

### **Directors**

R H Jones  
S McMullen (appointed 17 July 2008)  
K Romano  
M Makharine (appointed 11 July 2008)

### **Secretary**

A D'Cruz (appointed 25 January 2008)

### **Registered office**

Unit B Colima Avenue  
Sunderland Enterprise Park West  
Sunderland  
SR5 3XE

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
2 Humber Quays  
Wellington Street West  
Hull  
HU1 2BN

### **Bankers**

HSBC Bank plc  
PO Box 61004  
London  
SE1 9RX

## **Directors' Report** *for the 52 weeks ended 27 December 2008*

The directors present their report and the audited financial statements for the 52 weeks ended 27 December 2008.

### **Principal activity**

The company is a parent holding company.

### **Background to Carrier Rental Systems and business review**

The company is an intermediate holding company. It holds the entire share capital of Carrier Rental Systems (UK) Limited, a company which undertakes the provision of specialist equipment predominantly on a rental basis in the United Kingdom. The company also holds indirectly through its subsidiary Ingleby (1232) Limited, the share capital of specialist equipment rental businesses in Poland, France, Germany, Holland and Singapore.

### **Results and Dividends**

The directors do not recommend the payment of a dividend in respect of the period ended 27 December 2008 (2007: £nil).

### **Directors**

The directors of the company and changes in directors during the period are detailed below:

R H Jones	
S McMullen	(appointed 17 July 2008)
D E Foster	(resigned 18 April 2008)
K Romano	
B Kelleher	(resigned 11 July 2008)
M Makharine	(appointed 17 July 2008)

### **Disabled employees**

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and career development for disabled staff. If members of staff become disabled the company continues employment wherever possible and arranges retraining.

### **Employee consultation**

The company is also committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests. In addition, the company encourages the involvement of employees by means of employee communication forum events, where a representative of a cross section of employees raises any questions to senior management on an anonymous basis if required by the employee.

### **Health, safety and the environment**

The maintenance and improvement of working standards to safeguard the health and well being of staff and customers alike is a continuing priority. Health and safety officers are appointed at each location and receive periodic training to keep abreast of both legislative requirements and technological advances. It is company policy to operate in a reasonable manner with due regard for the environment.

## **Directors' Report (continued)**

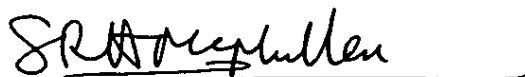
### **Donations**

The company and group made no donations for political purposes and made minimal charitable donations during the period.

### **Independent auditors**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'S McMullen', is written over a horizontal line.

**S McMullen**  
**Director**  
**5 August 2009**

## **Statement of directors' responsibilities in respect of the Annual Report and the financial statements**

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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



**S McMullen**  
**Director**  
**5 August 2009**

## **Independent auditors' report to the members of Carrier Rental Systems Limited**

We have audited the financial statements of Carrier Rental Systems Limited for the 52 weeks ended 27 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 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 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 the Directors' Report and all of the other information listed on the contents page. 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***

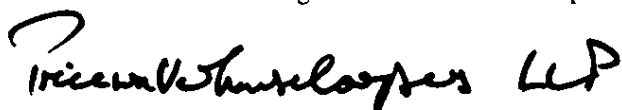
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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 27 December 2008 and of its loss for the period 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, Hull**  
**7 August 2009**

**5 Carrier Rental Systems Limited**

*Report and Financial Statements - 27 December 2008*

**Profit and Loss Account for the 52 weeks ended 27 December 2008**

		52 weeks ended 27 December 2008	52 weeks ended 29 December 2007
	Note	£'000	£'000
Turnover	2	1,351	1,271
Selling & Distribution Costs		-	(8)
Administrative expenses		(1,473)	(1,312)
Exceptional items	3	-	4,790
<b>Operating (loss)/profit</b>		<b>(122)</b>	<b>4,741</b>
Net Interest Payable	4	(1,124)	(2,682)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(1,246)</b>	<b>2,059</b>
Tax on (loss)/profit on ordinary activities	6	-	-
<b>Retained (loss)/profit</b>		<b>(1,246)</b>	<b>2,059</b>

The above results are from continuing operations.

There were no recognised gains or losses in either period other than the (loss)/profit for the period.

There were no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the period shown above and their historical cost equivalents.

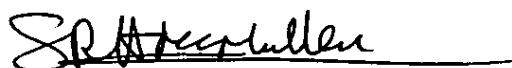


# Balance Sheet at 27 December 2008

	Note	27 December 2008 £'000	29 December 2007 £'000
<b>Fixed assets</b>			
Investments	7	48,213	48,213
<b>Current assets</b>			
Cash at bank and in hand		-	118
Debtors – amounts falling due within one year	8	423	-
Debtors – amounts falling due after one year	8	-	11,304
		423	11,422
<b>Creditors: amounts falling due within one year</b>	9	(28,300)	(36)
<b>Net current assets</b>		(27,877)	11,386
<b>Total assets less current liabilities</b>		20,336	59,599
<b>Creditors: amounts falling due after more than one year</b>	9	-	(38,017)
<b>Net Assets</b>		20,336	21,582
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Share Premium	11	60,979	60,979
Profit and loss account	11	(40,644)	(39,398)
<b>Shareholders' Funds</b>	12	20,336	21,582

The financial statements on pages 6 to 13 were approved by the board on  
and were signed on its behalf by:

5 August 2009



**S McMullen**  
Director

**1 Principal accounting policies**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principle accounting policies are set out below.

**Investments**

The company's cost of investment in subsidiary undertakings is stated at cost less any provision for impairment.

**Impairment**

Impairment is an area involving management judgement, requiring assessment as to whether the carrying value of the assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of cash flows, certain assumptions are required to be made in respect of highly uncertain matters, for example: expected cash flows from the company's businesses; management expectations for growth in revenues and timing and quantum of future capital expenditures, all of which are discounted at a rate to reflect the risks involved.

Changing the assumptions selected by management to determine the level if any of impairment including, in particular, the discount rates or growth rate assumptions used in the cash flow projections, could significantly affect the company's results.

At 27 December 2008, the company undertook a review which assessed whether the carrying value of its assets could be supported by the net present value of future cash flows derived from assets using cash flow projections for each business. The results of that review indicated that no impairment charges were necessary in respect of the UK entities.

**Taxation**

The charge for taxation is based on the result for the period and takes into account taxation deferred or accelerated due to timing differences between the recognition of certain items for taxation and accounting purposes. Provision has been made for deferred tax on a full provision basis in accordance with Financial Reporting Standard No. 19. Balances have not been discounted.

The company is part of a UK group and accordingly may use the group relief provisions whereby current taxable profits can be offset by current tax losses arising in other companies in the company.

**Pension costs**

Contributions to defined contribution pension plans are charged to the profit and loss account in the period to which they relate. The group's pension arrangements are described further in note 13.

**Cash flow statement and related party disclosures**

The company is a wholly owned subsidiary company of a group headed by United Technologies Corporation, which is incorporated in the United States of America, and is included in the consolidated accounts of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 'Cash flow statements (revised 1996)' from preparing a cash flow statement.

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by United Technologies Corporation, whose accounts are publicly available

**Notes to the Financial Statements for the 52 weeks ended 27 December 2008**

**2 Turnover analysis**

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
Management Charge to UK & Overseas Subsidiaries	1,351	1,271

**3 Exceptional Items**

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
Release of Funding bond provision	-	4,790

**4 Net Interest Payable**

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
Interest payable and similar charges:		
On bank loans and overdrafts	(1,099)	-
Interest payable on loans from group undertakings	(450)	(2,698)
Interest payable	(1,549)	(2,698)
Interest receivable from group undertakings	425	16
Net interest payable	(1,124)	(2,682)

# Notes to the Financial Statements for the 52 weeks ended 27 December 2008

## 5 Employee information

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
Employee costs during the period amounted to:		
Wages and salaries	750	643
Social security costs	76	98
Pension costs (note 13)	72	59
	<b>898</b>	<b>800</b>

	2008 Number	2007 Number
The average number of persons employed by the company during the period was:		
Sales, distribution and administration	12	10

The employee costs shown above include the following remuneration in respect of the directors of the company:

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
Aggregate emoluments (excluding pension contributions)	<b>231</b>	<b>355</b>

Emoluments payable to the highest paid director for the period were **£207,124** (2007: £186,653); this includes £30,106 (2007: £20,500) paid in respect of money purchase pension arrangements.

The emoluments of K Romano and M Makharine are paid by Carrier Corporation. Their services to the company are of a non-executive nature and not as directors of the company, accordingly, their emoluments are not included above.

## 6 Tax on (loss) / profit on ordinary activities

	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
<b>Analysis of charge in period</b>		
<b>Current tax</b>		
UK corporation tax on the (loss) / profit for the period at 28.5% (2007: 30%)	-	-
<b>Tax charge on (loss) / profit on ordinary activities</b>	<b>-</b>	<b>-</b>
<b>Analysis of factors affecting current tax for the period</b>		
	52 weeks ended 27 December 2008 £'000	52 weeks ended 29 December 2007 £'000
(Loss) / profit on ordinary activities before tax	(1,246)	2,059
(Loss) / profit on ordinary activities multiplied by average standard rate of UK corporation tax of 28.5% (2007: 30%).	355	618
Effects of:		
Brought forward losses utilised	-	(618)
Transfer pricing adjustments	(52)	-
Group relief for nil consideration	(303)	-
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

A deferred tax asset of **£1,816** (2007: £2,852,118) relating to advanced capital allowances has not been recognised as it is not certain that the company will generate sufficient profits in future years to utilise this asset.

# Notes to the Financial Statements for the 52 weeks ended 27 December 2008

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## Investments

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 29 December 2007 and 27 December 2008	56,868
<b>Provision</b>	
At 29 December 2007 and 27 December 2008	(8,655)
<b>Net book value</b>	
At 29 December 2007 and 27 December 2008	48,213

The principal subsidiary undertakings of the company at 27 December 2008 were as follows:

Carrier Rental Systems (UK) Limited\*  
 Ingleby (1232) Limited\* (Intermediate holding company)  
 Carrier Rental Systems Germany GmbH – Germany  
 Carrier Rental Systems France SARL – France  
 Carrier Rental Systems NL BV – Netherlands  
 Carrier Rental Systems Polska Sp. z o.o – Poland  
 Carrier Rental Systems Asia Pte Ltd – Singapore  
 SLD Pumps Limited (Dormant)\*  
 Claudius Limited (Dormant)\*  
 Chiller Rental Services Limited (Dormant)  
 SLD Genlite Limited (Dormant)

Unless otherwise indicated all are incorporated in Great Britain and undertake the provision of specialist equipment and related services, predominantly under rental agreements and mainly in the country of incorporation. The group holds 100% of the issued share capital of the above.

\* Denotes those subsidiary undertakings owned directly by Carrier Rental Systems Limited

In the opinion of the Directors the value of the investments in subsidiary undertakings is not less than the amount at which it is stated in the balance sheet.

8

## Debtors

	27 December 2008 £'000	29 December 2007 £'000
<b>Amounts falling due within one year</b>		
Amounts owed by fellow group company	423	-
<b>Amounts falling due after one year</b>		
Amounts owed by group undertakings	-	11,304

# Notes to the Financial Statements for the 52 weeks ended 27 December 2008

## 9 Creditors

	27 December 2008 £'000	29 December 2007 £'000
<b>Amounts falling due within one year</b>		
Bank overdrafts	27,756	--
Amounts owed to group undertakings	544	-
Deferred consideration	-	5
Accruals and deferred income	-	31
	<b>28,300</b>	<b>36</b>
<b>Amounts falling due after more than one year</b>		
Amounts owed to group undertakings	-	38,017
	-	<b>38,017</b>

On 18 March 2008, the group's inter-company loans, together with accrued interest, transferred to the UK cash pooling facility with HSBC, managed via a sister company United Technologies Holdings Limited. This indebtedness, which is included in bank overdrafts above, is repayable on demand and bears a variable commercial interest rate.

## 10 Called up Share Capital

	27 December 2008 £	29 December 2007 £
<b>Authorised</b>		
83,555,141 (2007: 83,555,141) ordinary shares of 0.001 pence each	836	836
14,745,012 (2007: 14,745,012) Non-voting ordinary shares of 0.001 pence each	147	147
6,274,477 (2007: 6,274,477) Non-voting "A" ordinary shares of 0.001 pence each	63	63
60 (2007: 60) deferred ordinary shares of £1 each	60	60
	<b>1,106</b>	<b>1,106</b>
	27 December 2008 £	29 December 2007 £
<b>Allotted, called up and fully paid</b>		
83,555,121 (2007: 83,555,121) ordinary shares of 0.001 pence each	836	836
14,618,010 (2007: 14,618,010) Non-voting ordinary shares of 0.001 pence each	146	146
6,274,477 (2007: 6,274,477) Non-voting "A" ordinary shares of 0.001 pence each	63	63
60 (2007: 60) deferred ordinary shares of £1 each	60	60
	<b>1,105</b>	<b>1,105</b>

## Notes to the Financial Statements for the 52 weeks ended 27 December 2008

### Called up Share Capital (continued)

#### Voting:

The ordinary shares have a right to one vote per share at any general meeting of the company.

Non-voting ordinary shares and non-voting "A" ordinary shares have a right to attend general meetings, but not to vote. Deferred ordinary shares carry no rights to attend meetings or vote.

#### Distribution:

The non-voting ordinary shares and non-voting "A" ordinary shares rank pari passu with ordinary shares in the event of a distribution of profits, subject to the holders of the non-voting "A" ordinary shares being entitled to receive a maximum aggregate value of £900,000 whether through distribution of profits, return of capital or sale proceeds.

No dividend is payable on deferred shares until the holders of ordinary shares and non-voting "A" ordinary shares have received £10 million per share.

#### Capital:

In the event of a winding up situation, any surplus is distributed pari passu between the ordinary, non-voting ordinary and non-voting "A" ordinary shares, subject to the holders of the non-voting "A" ordinary shares being entitled to receive a maximum aggregate value of £900,000 whether through distribution of profits, return of capital or sale proceeds.

### 11 Reserves

Movements in reserves were as follows:

	Share capital account £'000	Share premium account £'000	Profit and loss account £'000
At 29 December 2007	1	60,979	(39,398)
Loss for the period	-	-	(1,246)
At 27 December 2008	1	60,979	(40,644)

### 12 Reconciliation of movements in equity shareholders' funds

	27 December 2008 £'000	29 December 2007 £'000
Opening equity shareholders' funds	21,582	19,523
Total (loss)/profit for the period added to shareholders' funds	(1,246)	2,059
Closing equity shareholders' funds	20,336	21,582

### 13 Guarantees and other financial commitments

#### Pension arrangements

The company operates a defined contribution company personal pension scheme for UK employees.

The charge against profit is the amount of contribution payable to this scheme in respect of each period.

The pension cost attributable to employees for the period was £72,000 (2007: £59,000).

### 14 Controlling party

The immediate parent undertaking is Ceesail Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is United Technologies Corporation which is incorporated in the United States of America. Copies of the United Technologies Corporation group accounts can be obtained from 1 Financial Plaza, Hartford, Connecticut 06101, USA.