

Company Registration No. 04143737 (England and Wales)

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)

AMENDED
ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

SATURDAY



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COMPANIES HOUSE

EAST ROAD PCT & COURIER LIMITED

DIRECTORS AND ADVISERS

Directors

N Davison
H Lewis
J Ritterband
C Thomas (Appointed 9 June 2011)

Secretary

C Thomas

Company number

04143737

Registered office

2 Tormano Mews
London
NW5 2RZ

Registered auditors

Evolution Business and Tax Advisors LLP
10 Evolution
Wynyard Park
Wynyard
TS22 5TB

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
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EAST ROAD PCT & COURIER LIMITED

(FORMERLY EAST ROAD PCT & COURIER PLC)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

The principal activities of the group during the period under review were those of the provision of courier, passenger car and medical transport services

Results and dividends

The consolidated profit and loss account for the year is set out on pages 4 to 5

The results for the period and the financial position of the group are as shown in the annexed financial statements

On 31 March 2011, the Group sold its medical services business assets to Medical Services Limited for a total consideration of £3,187,297 and concentrated on its core passenger transport and courier services business

On 28 November 2011, the Group sold its remaining business and assets to Addison Lee plc for a total consideration of £13,569,390. Since that date the Group has not continued trading. However the directors have been winding up the remaining affairs of the Group and are close to disposing of the final property leases, collecting the outstanding book debts, paying creditors and settling outstanding claims prior to winding up the Group and distributing the remaining assets.

Financial instruments

The group's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, loans and hire purchase agreements. The main purpose of these instruments is to raise funds for the group's operations.

Due to the nature of financial instruments used by the group, there is no exposure to price risk. The group's approach to managing other risks applicable to financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts and invoice discounting facilities at floating rates of interest. The group makes use of money market facilities where funds are available.

In respect of loans these comprise loans from the directors and loans from financial institutions. The interest rate on loans from financial institutions is variable but the monthly repayments are fixed. The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments. The loans from the directors are interest free and payable on demand. The directors are aware of the group's required finance and have determined that these will only be repaid, in whole or in part, when finance is available.

In respect of hire purchase agreements, these are from financial institutions with fixed or variable interest rates and fixed monthly repayments. The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

Directors

The following directors have held office since 1 January 2011

N Davison

H Lewis

J Ritterband

D Fendom

(Resigned 16 May 2012)

J P Sheehan

(Resigned 31 March 2011)

C Thomas

(Appointed 9 June 2011)

M D Chaplin

(Resigned 30 June 2011)

Charitable donations

2011

2010

£

£

During the year the group made the following payments

Charitable donations

1,614

5,376

Employee involvement

The group's policy is to consult and discuss with employees matters likely to affect employees' interests

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance

Disabled persons

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Auditors

In accordance with the Company's Articles, a resolution proposing that Evolution Business and Tax Advisors LLP be reappointed as auditors of the company will be put at a General Meeting.

**EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of directors' responsibilities

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 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). 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to


- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 group 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

On behalf of the board



H Lewis

Director

22/3/2013.

EAST ROAD PCT & COURIER LIMITED

(FORMERLY EAST ROAD PCT & COURIER PLC)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EAST ROAD PCT & COURIER LIMITED

We have audited the group and parent company revised financial statements (the "financial statements") of East Road PCT & Courier Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). These revised financial statements replace the original financial statements approved by the directors on 30 June 2012.

The revised group financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

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, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the revised 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the revised financial statements sufficient to give reasonable assurance that the revised financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the revised financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited revised financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

Opinion on financial statements

In our opinion the revised financial statements

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the group's and parent company's affairs as at 31 December 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved,
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and
- the original financial statements for the year ended 31 December 2011 failed to comply with the requirements of the Companies Act 2006 in respects identified by the directors in the statements contained in note 1 to these revised financial statements.

**EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

TO THE MEMBERS OF EAST ROAD PCT & COURIER LIMITED

Emphasis of matter - revision of annual accounts

In forming our opinion on the revised financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to these revised financial statements concerning the need to revise the annual accounts. The original financial statements were approved on 30 June 2012 and our previous report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous report to the date of this report.

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



**Joanne Regan FCA (Senior Statutory Auditor)
for and on behalf of
Evolution Business and Tax Advisors LLP**

25 March 2013

**Chartered Accountants
Statutory Auditor**

10 Evolution
Wynyard Park
Wynyard
TS22 5TB

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2		
Continuing operations		-	62,294,257
Discontinued activities		41,346,198	-
		<u>41,346,198</u>	<u>62,294,257</u>
Cost of sales		(27,421,802)	(43,041,656)
Gross profit		<u>13,924,396</u>	<u>19,252,601</u>
Administrative expenses		(20,508,452)	(18,076,985)
Other operating income		<u>462,462</u>	<u>-</u>
Operating (loss)/profit	4		
Continuing operations		-	1,175,616
Discontinued activities		(6,121,594)	-
		<u>(6,121,594)</u>	<u>1,175,616</u>
Profit on disposal of discontinued activities		<u>11,597,705</u>	<u>-</u>
		<u>11,597,705</u>	<u>-</u>
Profit on ordinary activities before interest		<u>5,476,111</u>	<u>1,175,616</u>
Other interest receivable and similar income		905	70
Interest payable and similar charges	5	<u>(779,624)</u>	<u>(1,090,691)</u>
Profit on ordinary activities before taxation	4	<u>4,697,392</u>	<u>84,995</u>
Tax on profit on ordinary activities	6	<u>(922,438)</u>	<u>(88,261)</u>
Profit/(loss) on ordinary activities after taxation		<u>3,774,954</u>	<u>(3,266)</u>
Minority interests		<u>(174,369)</u>	<u>(50,199)</u>
Profit/(loss) for the financial year	7	<u><u>3,600,585</u></u>	<u><u>(53,465)</u></u>

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
STATEMENT OF RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Profit/(loss) for the financial year	3,774,954	(3,266)
Transfer of pension scheme asset to related party	-	(176,170)
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	3,774,954	(179,436)
	<hr/> <hr/>	<hr/> <hr/>

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
BALANCE SHEETS

AS AT 31 DECEMBER 2011

	Notes	Group 2011 £	2010 £	Company 2011 £	2010 £
Fixed assets					
Intangible assets	9	-	1,284,760	-	1,284,760
Tangible assets	10	-	14,888,822	-	3,094,088
Investments	11	-	-	4,269	4,269
		<u>-</u>	<u>16,173,582</u>	<u>4,269</u>	<u>4,383,117</u>
Current assets					
Stocks	12	-	46,782	-	46,782
Debtors	13	5,865,334	11,363,500	5,608,673	12,822,575
Cash at bank and in hand		8,645,134	284,966	8,644,549	282,667
		<u>14,510,468</u>	<u>11,695,248</u>	<u>14,253,222</u>	<u>13,152,024</u>
Creditors: amounts falling due within one year	14	(6,972,927)	(17,547,044)	(9,593,681)	(13,611,255)
Nett current (liabilities)/assets		<u>7,537,541</u>	<u>(5,851,796)</u>	<u>4,659,541</u>	<u>(459,231)</u>
Total assets less current liabilities		<u>7,537,541</u>	<u>10,321,786</u>	<u>4,663,810</u>	<u>3,923,886</u>
Creditors: amounts falling due after more than one year	15	-	(6,162,125)	-	(2,745,449)
Provisions for liabilities	16	-	(397,074)	-	-
		<u>7,537,541</u>	<u>3,762,587</u>	<u>4,663,810</u>	<u>1,178,437</u>
Capital and reserves					
Called up share capital	18	195,070	195,070	195,070	195,070
Profit and loss account	19	6,777,298	3,176,713	4,468,740	983,367
Shareholders' funds	21	6,972,368	3,371,783	4,663,810	1,178,437
Minority interests	20	565,173	390,804	-	-
		<u>7,537,541</u>	<u>3,762,587</u>	<u>4,663,810</u>	<u>1,178,437</u>

**EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
BALANCE SHEETS (CONTINUED)**

AS AT 31 DECEMBER 2011

Approved by the Board and authorised for issue on 22/3/2013



H Lewis
Director

Company Registration No. 04143737

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
£	£	£
Net cash (outflow)/inflow from operating activities	(2,956,278)	6,796,435
Returns on investments and servicing of finance		
Interest received	905	70
Interest paid	(779,624)	(1,090,691)
Net cash outflow for returns on investments and servicing of finance	(778,719)	(1,090,621)
Taxation	(65,401)	(401,646)
Capital expenditure		
Payments to acquire tangible assets	(894,747)	(1,111,157)
Receipts from sales of tangible assets	871,825	705,339
Net cash inflow/(outflow) for capital expenditure	(22,922)	(405,818)
Acquisitions and disposals		
Net proceeds on disposal of discontinued activities	16,443,977	-
Net cash inflow/(outflow) for acquisitions and disposals	16,443,977	-
Net cash inflow before management of liquid resources and financing	12,620,657	4,898,350
Financing		
Issue of ordinary share capital	-	100,000
Purchase of own shares	-	(100,000)
Other new long term loans	-	513,000
Repayment of bank loan	(61,250)	-
Repayment of other loans	(1,048,852)	(101,000)
Capital element of hire purchase contracts	(3,150,387)	(5,009,537)
Net cash outflow from financing	(4,260,489)	(4,597,537)
Increase in cash in the year	8,360,168	300,813

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

1	Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities	2011	2010
		£	£
	Operating (loss)/profit	(6,121,594)	1,175,616
	Depreciation of tangible assets	2,314,833	3,952,102
	Amortisation of intangible assets	193,683	431,658
	Loss on disposal of tangible assets	2,193,479	556,909
	Loss on disposal of intangible assets	1,091,077	-
	Decrease in stocks	46,782	66,990
	Decrease/(increase) in debtors	5,498,166	(1,255,974)
	(Decrease)/Increase in creditors within one year	(8,172,704)	1,869,134
	Net cash (outflow)/inflow from operating activities	(2,956,278)	6,796,435

2	Analysis of net funds/(debt)	1 January 2011	Cash flow	Other non-cash changes	31 December 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	284,966	5,160,168	-	5,445,134
		<u>284,966</u>	<u>5,160,168</u>	<u>-</u>	<u>5,445,134</u>
	Liquid resources				
	Bank deposits	-	3,200,000	-	3,200,000
		<u>-</u>	<u>3,200,000</u>	<u>-</u>	<u>3,200,000</u>
	Debt				
	Finance leases	(8,707,547)	3,150,387	5,557,160	-
	Debts falling due within one year	(1,822,547)	280,399	(357,191)	(1,899,339)
	Debts falling due after one year	(1,186,894)	829,703	357,191	-
		<u>(11,716,988)</u>	<u>4,260,489</u>	<u>5,557,160</u>	<u>(1,899,339)</u>
	Net (debt)/funds	(11,432,022)	12,620,657	5,557,160	6,745,795

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

3	Reconciliation of net cash flow to movement in net funds/(debt)	2011	2010
		£	£
	Increase in cash in the year	5,160,168	300,813
	Cash outflow from increase in liquid resources	3,200,000	-
	Cash outflow/(inflow) from decrease/(increase) in debt	4,260,489	4,597,537
		<u>12,620,657</u>	<u>4,898,350</u>
	Change in net debt resulting from cash flows	12,620,657	4,898,350
	New finance lease	(5,009,089)	(6,126,376)
	Finance leases transferred on sale of assets	10,566,249	-
		<u>18,177,817</u>	<u>(1,228,026)</u>
	Movement in net funds/(debt) in the year	18,177,817	(1,228,026)
	Opening net debt	(11,432,022)	(10,203,996)
		<u>6,745,795</u>	<u>(11,432,022)</u>
	Closing net funds/(debt)	6,745,795	(11,432,022)

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

Amended accounts

These accounts replace the original accounts for the year ending 31 December 2011 approved by the Board on 30 June 2012. They are now the statutory accounts for this period.

These accounts have been prepared as at the date of the original accounts, and not as at the date of the revision and accordingly do not deal with events between those dates.

The original accounts did not provide for certain expenses estimated to be incurred in closing down the business properly, including provision for bad debts and ongoing legal disputes. As the group ceased trading during this accounting period, it was considered necessary to amend the original accounts in order to provide for these costs.

1.3 Basis of consolidation

The revised consolidated financial statements include the revised financial statements of East Road PCT & Courier plc and all its subsidiary undertakings for the year ended 31 December 2011. The results of subsidiaries sold or acquired are included in the profit and loss account up to, and from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of ten years. Goodwill arising on consolidation is treated in a similar manner.

1.6 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development costs are written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leasehold property	10% on cost
Improvements to property	10% on cost
Plant and machinery	25% reducing balance
Computer equipment	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Other motor vehicles	25% reducing balance
Ambulances	6 years straight line
Assets under development	not depreciated

1.8 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.9 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.10 Stock

Work in progress is valued at the lower of cost and net realisable value.

1.11 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.13 Invoice discounting arrangements

Payments on account of debts subject to invoice discounting arrangements are shown separately within creditors and are not offset against debts to which they relate.

1.14 Commissions

Commission which has been paid relating to the introduction of clients has been written off over the term of the contract which is four years.

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

2 Turnover

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the United Kingdom

3 Cost of sales and net operating expenses

	2011			2010		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
	£	£	£	£	£	£
Cost of sales	-	27,421,802	27,421,802	43,041,656	-	43,041,656
Administrative expenses	-	20,508,452	20,508,452	18,076,985	-	18,076,985
Other operating income	-	(462,462)	(462,462)	-	-	-
	-	47,467,792	47,467,792	61,118,641	-	61,118,641

4 Operating (loss)/profit	2011	2010
	£	£
Operating (loss)/profit is stated after charging		
Amortisation of intangible assets	193,683	431,658
Depreciation of tangible assets	2,314,833	3,952,102
Loss on disposal of tangible assets	2,193,479	556,909
Loss on disposal of intangible assets	1,091,077	-
Operating lease rentals		
- Plant and machinery	315,254	359,070
- Other assets	42,158	43,252

Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £25,575, 2010 £26,000)	30,975	28,800
Compliance work	10,500	6,750
	<u>41,475</u>	<u>35,550</u>

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

5 Interest payable

	2011	2010
	£	£
On bank loans and overdrafts	18,593	23,814
On other loans wholly repayable within five years	47,181	33,351
Hire purchase interest	570,599	826,271
On overdue tax	21	309
On amounts payable to factors	143,230	206,946
	<u>779,624</u>	<u>1,090,691</u>

EAST ROAD PCT & COURIER LIMITED
(FORMERLY EAST ROAD PCT & COURIER PLC)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

6 Taxation

	2011 £	2010 £
Domestic current year tax		
U K corporation tax	1,317,324	(193,466)
Adjustment for prior years	2,188	(390)
	<u>1,319,512</u>	<u>(193,856)</u>
Current tax charge	1,319,512	(193,856)
Deferred tax		
Origination and reversal of timing differences	(397,074)	282,117
	<u>922,438</u>	<u>88,261</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>4,697,392</u>	<u>84,995</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2010 - 28.00%)	<u>1,221,322</u>	<u>23,799</u>
Effects of		
Non deductible expenses	41,838	13,118
Losses carried forward	-	(256,661)
Capital allowances	155,854	(250,459)
Tax losses utilised	(127,905)	281,255
Adjustments to previous periods	2,188	(390)
Adjustment to tax rates	26,215	(4,518)
	<u>98,190</u>	<u>(217,655)</u>
Current tax charge	<u>1,319,512</u>	<u>(193,856)</u>

7 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	2011 £	2010 £
Holding company's profit for the financial year	<u>3,485,373</u>	<u>195,528</u>

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8 Minority interest

	2011	2010
	£	£
Minority interest	<u>174,369</u>	<u>50,199</u>

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9 Intangible fixed assets
Group

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 1 January 2011	2,711,631	1,123,461	3,835,092
Disposals	(2,711,631)	(1,123,461)	(3,835,092)
At 31 December 2011	-	-	-
Amortisation			
At 1 January 2011	1,975,227	575,105	2,550,332
Amortisation on disposals	(2,168,910)	(575,105)	(2,744,015)
Charge for the year	193,683	-	193,683
At 31 December 2011	-	-	-
Net book value			
At 31 December 2011	-	-	-
At 31 December 2010	736,404	548,356	1,284,760

Intangible fixed assets (continued)
Company

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 1 January 2011	2,711,631	1,123,461	3,835,092
Disposals	(2,711,631)	(1,123,461)	(3,835,092)
At 31 December 2011	-	-	-
Amortisation			
At 1 January 2011	1,975,227	575,105	2,550,332
Amortisation on disposals	(2,168,910)	(575,105)	(2,744,015)
Charge for the year	193,683	-	193,683
At 31 December 2011	-	-	-
Net book value			
At 31 December 2011	-	-	-
At 31 December 2010	736,404	548,356	1,284,760

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10 Tangible fixed assets
Group

	Leasehold property	Improve- ments to property	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2011	71,280	1,176,674	5,678,207	229,414	21,812,696	28,968,271
Additions	-	6,974	884,808	2,965	5,009,089	5,903,836
Disposals	(71,280)	(1,183,648)	(6,563,015)	(232,379)	(26,821,785)	(34,872,107)
At 31 December 2011	-	-	-	-	-	-
Depreciation						
At 1 January 2011	54,866	360,590	3,397,744	180,977	10,085,272	14,079,449
On disposals	(60,182)	(424,333)	(3,803,642)	(190,737)	(11,915,388)	(16,394,282)
Charge for the year	5,316	63,743	405,898	9,760	1,830,116	2,314,833
At 31 December 2011	-	-	-	-	-	-
Net book value						
At 31 December 2011	-	-	-	-	-	-
At 31 December 2010	16,414	816,084	2,280,463	48,437	11,727,424	14,888,822

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery	Improve- ments to property	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 December 2011	-	-	-	-
At 31 December 2010	495,724	57,995	10,699,842	11,253,561
Depreciation charge for the year				
31 December 2011	-	-	-	-
31 December 2010	155,504	8,345	2,406,140	2,569,989

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Tangible fixed assets (continued)

Company

	Leasehold property	Improve ments to property	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2011	45,857	1,087,163	5,634,020	224,189	6,991,229
Additions	-	6,974	884,808	2,965	894,747
Disposals	(45,857)	(1,094,137)	(6,518,828)	(227,154)	(7,885,976)
At 31 December 2011	-	-	-	-	-
Depreciation					
At 1 January 2011	30,556	325,959	3,362,576	178,050	3,897,141
On disposals	(34,759)	(381,608)	(3,766,406)	(187,283)	(4,370,056)
Charge for the year	4,203	55,649	403,830	9,233	472,915
At 31 December 2011	-	-	-	-	-
Net book value					
At 31 December 2011	-	-	-	-	-
Net book value					
At 31 December 2010	15,301	761,204	2,271,444	46,139	3,094,088

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery	Improve ments to property	Total
	£	£	£
Net book values			
At 31 December 2011	-	-	-
At 31 December 2010	495,724	57,995	553,719
Depreciation charge for the year			
31 December 2011	-	-	-
31 December 2010	155,504	8,345	163,849

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11 Fixed asset investments

Company	Shares in group undertakings £
Cost	
At 1 January 2011 & at 31 December 2011	8,739
Provisions for diminution in value	
At 1 January 2011 & at 31 December 2011	4,470
Net book value	
At 31 December 2011	4,269
At 31 December 2010	4,269

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
East Road PCT & Courier (West London) Limited	England and Wales	Ordinary	70
East Road PCT & Courier (Fleet) Limited	England and Wales	Ordinary	100

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11 Fixed asset investments

(continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
	Principal activity		
East Road PCT & Courier (West London) Limited	Courier and passenger car service	1,883,909	581,232
East Road PCT & Courier (Fleet) Limited	Courier services and hire of vehicles	994,091	(291,651)
		<u> </u>	<u> </u>

12 Stocks

	Group 2011 £	2010 £	Company 2011 £	2010 £
Consumables	<u>-</u>	<u>46,782</u>	<u>-</u>	<u>46,782</u>

13 Debtors

	Group 2011 £	2010 £	Company 2011 £	2010 £
Trade debtors	3,826,555	10,130,666	3,826,555	10,130,666
Amounts owed by subsidiary undertakings	-	-	-	1,773,907
Amounts owed by related parties	282,256	-	282,256	-
Corporation tax	256,661	256,661	-	-
Other debtors	1,456,914	331,935	1,456,914	279,935
Prepayments and accrued income	42,948	644,238	42,948	638,067
	<u>5,865,334</u>	<u>11,363,500</u>	<u>5,608,673</u>	<u>12,822,575</u>

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14 Creditors : amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	-	52,250	-	52,250
Net obligations under finance lease and hire purchase contracts	-	3,867,881	-	244,645
Trade creditors	1,044,634	2,021,934	1,044,634	2,021,934
Amounts due to factoring company	-	7,175,284	-	7,175,284
Amounts owed to subsidiary undertakings	-	-	3,007,385	-
Amounts owed to related parties	-	200,688	-	-
Corporation tax	1,317,306	63,195	1,003,266	-
Taxes and social security costs	622,109	1,675,268	622,109	1,663,077
Other creditors	2,564,996	1,866,426	2,497,805	1,866,426
Accruals and deferred income	1,423,882	624,118	1,418,482	587,639
	<u>6,972,927</u>	<u>17,547,044</u>	<u>9,593,681</u>	<u>13,611,255</u>

At the year end, secured debts amounted to £nil (2010 £15,944,081)

Bank loans and overdrafts were secured by debentures over the assets of the group companies and by guarantees provided by the directors with interests in the share capital of the parent company

The hire purchase agreements were secured on the underlying assets

The amounts due to the factoring company were secured against trade debtors

The amounts due to group companies are interest free There are no fixed dates for repayment

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15 Creditors : amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	-	9,000	-	9,000
Other loans	-	1,177,894	-	1,110,703
Net obligations under finance leases and hire purchase agreements	-	4,839,666	-	185,130
Amounts due to group companies	-	-	-	1,305,051
Long term trade creditors	-	135,565	-	135,565
	<u>-</u>	<u>6,162,125</u>	<u>-</u>	<u>2,745,449</u>
Analysis of loans				
Wholly repayable within five years	1,899,339	2,942,250	1,832,148	2,942,250
Included in current liabilities	(1,899,339)	(1,822,547)	(1,832,148)	(1,822,547)
	<u>-</u>	<u>1,119,703</u>	<u>-</u>	<u>1,119,703</u>
Loan maturity analysis				
In more than one year but not more than two years	-	1,119,703	-	1,119,703
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	-	4,471,178	-	276,437
Repayable between one and five years	-	5,447,665	-	208,141
	<u>-</u>	<u>9,918,843</u>	<u>-</u>	<u>484,578</u>
Finance charges and interest allocated to future accounting periods	-	(1,211,296)	-	(54,803)
	<u>-</u>	<u>8,707,547</u>	<u>-</u>	<u>429,775</u>
Included in liabilities falling due within one year	-	(3,867,881)	-	(244,645)
	<u>-</u>	<u>4,839,666</u>	<u>-</u>	<u>185,130</u>

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16 Provisions for liabilities
Group

	Deferred taxation £
Balance at 1 January 2011	397,074
Profit and loss account	(397,074)
	<u>-</u>
Balance at 31 December 2011	<u>-</u>

Deferred tax is provided as follows

	Group 2011 £	2010 £	Company 2011 £	2010 £
Accelerated capital allowances	-	422,658	-	25,584
Tax losses available	-	(25,584)	-	(25,584)
	<u>-</u>	<u>397,074</u>	<u>-</u>	<u>-</u>

17 Pension and other post-retirement benefit commitments

Group and Company
Defined contribution

	2011 £	2010 £
Contributions payable by the group for the year	72,627	268,223
Contributions payable to the fund at the year end and included in creditors	(4,642)	(4,685)
	<u>67,985</u>	<u>263,538</u>

18 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
195,070 Ordinary shares of £1 each	195,070	195,070
	<u>195,070</u>	<u>195,070</u>

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19 Statement of movements on profit and loss account
Group

	Profit and loss account £
Balance at 1 January 2011	3,176,713
Profit for the year	3,600,585
Balance at 31 December 2011	<u>6,777,298</u>

Company

	Profit and loss account £
Balance at 1 January 2011	983,367
Profit for the year	3,485,373
Balance at 31 December 2011	<u>4,468,740</u>

20 Minority interests

	2011 £	2010 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>565,173</u>	<u>390,804</u>

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21 Reconciliation of movements in shareholders' funds	2011	2010
Group	£	£
Profit/(Loss) for the financial year	3,600,585	(53,465)
Proceeds from issue of shares	-	100,000
Purchase of own shares	-	(100,000)
Transfer of pension scheme asset to related party	-	(176,170)
	<u>3,600,585</u>	<u>(229,635)</u>
Net addition to/(depletion in) shareholders' funds	3,600,585	(229,635)
Opening shareholders' funds	3,371,783	3,601,418
	<u>3,371,783</u>	<u>3,601,418</u>
Closing shareholders' funds	<u>6,972,368</u>	<u>3,371,783</u>
	<u>6,972,368</u>	<u>3,371,783</u>
	2011	2010
Company	£	£
Profit for the financial year	3,485,373	195,528
Proceeds from issue of shares	-	100,000
Purchase of own shares	-	(100,000)
Transfer of pension scheme asset to related party	-	(176,170)
	<u>3,485,373</u>	<u>19,358</u>
Net addition to shareholders' funds	3,485,373	19,358
Opening shareholders' funds	1,178,437	1,159,079
	<u>1,178,437</u>	<u>1,159,079</u>
Closing shareholders' funds	<u>4,663,810</u>	<u>1,178,437</u>
	<u>4,663,810</u>	<u>1,178,437</u>

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22 Financial commitments

At 31 December 2011 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Expiry date				
Within one year	30,040	48,300	-	143,098
Between two and five years	-	438,290	-	237,016
In over five years	121,250	857,910	-	-
	<u>151,290</u>	<u>1,344,500</u>	<u>-</u>	<u>380,114</u>

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Expiry date				
Within one year	30,040	48,300	-	143,098
Between two and five years	-	438,290	-	237,016
In over five years	78,000	814,660	-	-
	<u>108,040</u>	<u>1,301,250</u>	<u>-</u>	<u>380,114</u>

23 Capital commitments

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Contracted for but not provided in the financial statements	<u>-</u>	<u>448,000</u>	<u>-</u>	<u>448,000</u>

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24 Directors' emoluments

	2011	2010
	£	£
Emoluments for qualifying services	468,008	572,092
Compensation for loss of office	55,000	-
	<u>523,008</u>	<u>572,092</u>

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	<u>100,492</u>	<u>119,763</u>
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25 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011	2010
	Number	Number
Directors	5	6
Business Development	19	19
Administration	18	19
Customer Services	15	16
Operations	327	696
	<u>384</u>	<u>756</u>

Employment costs

	2011	2010
	£	£
Wages and salaries	10,496,864	18,437,324
Social security costs	1,041,635	1,773,970
Other pension costs	72,627	268,223
	<u>11,611,126</u>	<u>20,479,517</u>

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26 Control

As in the previous year, the group is ultimately controlled by Colmore Global Limited

27 Related party transactions

Group and company

At the year end East Road PCT & Courier Limited is owed £235,092 (2010 creditor £69,082) from Medical Services Limited, a company in which Mr H Lewis, director, has an interest. The balance comprises amounts due for various transactions settled by the group on behalf of Medical Services Limited.

The group's medical employees were transferred to the employment of Medical Services Limited on 1 January 2010 but they continued to work exclusively on the medical contracts of the group until 31 March 2011. A charge of £2,634,087 (2010 £11,876,049) is included in the accounts for the payroll costs relating to this.

The group hired vehicles and incurred vehicle finance costs from Medical Services Limited amounting to £12,135 (2010 £200,737) during the year.

On 31 March 2011 the group sold its medical services business to Medical Services Limited for a consideration of £3,187,297.

H Lewis, director, has loaned the group £448,000 (2010 £448,000). GARD Financial Services Limited, shareholder, have loaned the group £52,513 (2010 £110,000). Colmore Global Limited, a discretionary trust in which Mr H Lewis has an interest, also loaned the group £362,703 (2010 £1,250,000). These are included in other creditors falling due within one year.