

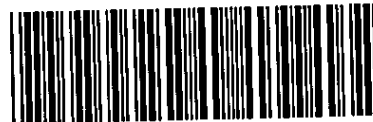
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CitySprint Shared Services Limited

Report and Financial Statements

31 December 2006

TUESDAY



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03/07/2007

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COMPANIES HOUSE

CitySprint Shared Services Limited

Registered No 5857552

Directors

A R Bernard
G A M Keenan

Secretary

G A M Keenan

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

Barclays Bank PLC
1 Churchill Place
Canary Wharf
London
E14 5HP

Registered office

TDK House
2nd Floor
5-7 Queensway
Redhill
RH1 1YB

Directors' report

The directors present their first report and financial statements for the period since incorporation to 31 December 2006

Results and dividends

The profit for the period amounted to £2,103. The directors do not recommend the payment of any dividends.

Principal activities and review of the business

The company was incorporated on 26 June 2006 and commenced trading on 1 July 2006. The principal activity is the provision of courier services.

The company has performed in line with the management's key performance indicators for the period, with Turnover of £1,190,746 and EBITDA of £6,303. The Company acquired a key contract in July 2006. The Company made a profit before tax and has positive net assets.

Principal risks and uncertainties

The principal risk and uncertainties facing the Company are broadly grouped as follows – competitive, and financial instrument risk and all these areas are reviewed on a regular basis.

Competitive risks

The Company operates in a very competitive market and some of the contracts it has are subject to periodic competitive tender.

Financial instrument risk

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of the Company's performance objectives. The objectives aim to ensure sufficient working capital exists and monitor the management of risk at a business unit level.

Exposure to credit and liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The Company's policies are aimed at minimising such losses and the Company runs an effective credit control operation and limits individual trade debtors to appropriate credit levels based on their financial strength.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation through its operations, applying cash collection targets throughout the Company. The Company also manages liquidity risk via the invoice discounting loan and fixed term loan arrangements in place.

Directors

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

A R Bernard	(appointed 26 June 2006)
G A M Keenan	(appointed 8 November 2006)
T King	(appointed 5 July 2006 – resigned 4 April 2007)

There are no directors' interests in the share capital of the company requiring disclosure under the Companies Act 1985.

The interests of A R Bernard and G A M Keenan in the shares of the ultimate parent undertaking, Bolt Holdings Limited, are shown in the report and financial statements of that company.

Directors' report

Auditors

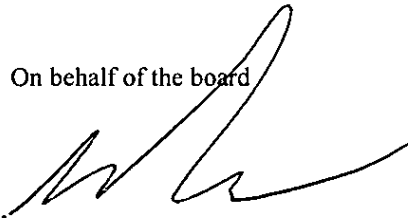
A resolution to reappoint Ernst & Young LLP will be put to the members at the Annual General Meeting

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the group's auditors, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the group's auditors are unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the group's auditors are aware of that information

On behalf of the board



G A M Keenan
Director

4/4/07

Statement of directors' responsibilities

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 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,
- 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 proper accounting records that 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 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 corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of CitySprint Shared Services Limited

We have audited the company's financial statements for the period ended 31 December 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 16. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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).

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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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.

Independent auditors' report

to the members of CitySprint Shared Services Limited

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of the profit 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

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

5 April 2007

Profit and loss account

for the period since incorporation to 31 December 2006

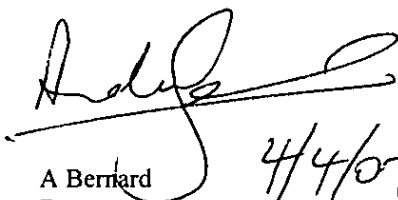
	Notes	6 months to 31 December 2006 £
Turnover	2	1,190,746
Cost of sales		(1,001,291)
Gross profit		189,455
Administrative expenses		(183,152)
Operating profit	3	6,303
Interest payable and similar charges		(3,299)
Profit on ordinary activities before taxation		3,004
Taxation	5	(901)
Profit for the period attributable to members of the parent undertaking	12	2,103

Statement of total recognised gains and losses

There are no recognised gains or losses other than those shown in the profit and loss account

Balance sheet at 31 December 2006

	Notes	2006 £
Fixed assets		
Intangible assets	6	280,800
Current assets		
Debtors	7	138,505
Cash at bank and in hand		4,527
		<u>143,032</u>
Creditors amounts falling due within one year	8	<u>(176,646)</u>
Net current liabilities		(33,614)
Total assets less current liabilities		247,186
Creditors amounts falling due after one year	9	(244,983)
Net current assets		<u>2,203</u>
Capital and reserves		
Called up share capital	11	100
Profit and loss account	12	<u>2,103</u>
Equity shareholders' funds	13	<u>2,203</u>


 A Bernard
 Director

4/4/07

Notes to the financial statements

at 31 December 2006

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Cash flow statement

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

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties in respect of the company's continuing activities

All turnover is derived from the United Kingdom

3. Operating profit

This is stated after charging

	<i>6 months ended 31 December 2006 £</i>
Auditors' remuneration - audit services	-
Amortisation of goodwill	93,600
Directors' emoluments	-

The audit fee is borne by Bolt Holdings Limited

4. Staff costs

No salaries or wages have been paid to employees, including the directors, during the year

Notes to the financial statements

at 31 December 2006

5. Taxation

(a) Analysis of tax charge in the year

*6 months
ended
31 December
2006
£*

Current tax
Corporation tax

901

Total tax charge for the year

901

(b) Factors affecting tax credit for the year

*6 months
ended
31 December
2006
£*

Profit on ordinary activities before tax

3,004

Profit on ordinary activities multiplied by standard rate
of corporation tax in the UK of 30%

901

Current tax for the year (note 5(a))

901

6. Intangible fixed assets

*Goodwill
£*

Cost
On incorporation
Additions

374,400

At 31 December 2006

374,400

Amortisation
On incorporation
Charge for the period

93,600

At 31 December 2006

93,600

At 31 December 2006

280,800

Additions to goodwill related to the purchase of part of the trade of a business during the year for a total consideration of £374,400

Notes to the financial statements

at 31 December 2006

7. Debtors

	2006 £
Trade debtors	135,975
Prepayments	2,530
	<u>138,505</u>

8. Creditors: amounts falling due within one year

	2006 £
Bank loan (note 8)	59,367
Corporation tax	901
Other taxation	82,564
Other creditors	24,384
Accruals	9,430
	<u>176,646</u>

9. Creditors: amounts falling due after one year

	2006 £
Amounts due to fellow subsidiary undertakings	244,983
	<u>244,983</u>

10. Bank loans

	2006 £
Wholly repayable within one year	
Invoice discounting loan	<u>59,367</u>

The company has an invoice discounting facility with its bankers that provides for an advancement on the company's trade debtors. Draw down up to a maximum of 85% of the value of the outstanding debtors is permitted, subject to a cap of £500,000. The drawdown against the outstanding debtors at 31 December 2006 is included within bank loans in creditors falling due within one year.

Interest on the invoice discounting loan is charged at 1.75% over the base rate of the lender.

The bank loan and invoice discounting facility are secured by a fixed and floating charge over the assets of the company and fellow group undertakings.

Notes to the financial statements

at 31 December 2006

11. Share capital

	<i>Authorised</i>	
	<i>2006</i>	
	<i>£</i>	
Ordinary shares of £1 each		<u>1,000</u>
	<i>Allotted, called up and fully paid</i>	
	<i>2006</i>	
	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	100	<u>100</u>

The company was incorporated on 26th June 2006 with an authorised share capital of 1,000 ordinary shares of 1pence each. During the period the company allotted 100 ordinary shares with a nominal value of £100 and for a total consideration of £100.

12. Reserves

	<i>Profit and</i>
	<i>loss account</i>
	<i>£</i>
On incorporation	–
Profit for the period	<u>2,103</u>
At 31 December 2006	<u>2,103</u>

13. Reconciliation of movements in shareholders' funds

	<i>2006</i>
	<i>£</i>
On incorporation	–
Profit for the period	<u>2,103</u>
Shares issued	<u>100</u>
Closing equity shareholders' funds	<u>2,203</u>

14. Related party transactions

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with other members of the Bolt Holdings Limited group.

During the year the company paid consultancy fees to ODN Logistics Limited of £11,079. ODN is a related party by virtue of Mr T King being a common director of ODN Logistics Limited and CitySprint Shared Services Limited. The amount outstanding at the year end amounted to £9,430 and is included within accruals.

15. Contingent liabilities

The company has guaranteed the secured bank loans of its fellow subsidiary undertakings. The maximum amount available under the facility is £8,993,000 (2005 - £7,724,000) and the amount outstanding at the balance sheet date was £5,206,410 (2005 - £5,545,553). The guarantee is secured by a fixed and floating charge over the assets of the company.

Notes to the financial statements

at 31 December 2006

16. Ultimate parent undertaking and controlling party

The immediate parent undertaking is CitySprint (UK) Limited

The directors consider the ultimate parent undertaking and controlling party to be Bolt Holdings Limited

Copies of the financial statements for Bolt Holdings Limited which is the parent undertaking of the smallest and largest group for which financial statements are prepared and of which the company is a member can be obtained from TDK House, 2nd Floor, 5-7 Queensway, Redhill, RH1 1YB