

COMPANY REGISTRATION NUMBER 2362274

**ARRIVA DERBY LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2003**



# **ARRIVA DERBY LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

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# **ARRIVA DERBY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **The Board of Directors**

J C Barlow  
M A Bowd  
R A Bowler  
R C Dyball  
S G McIntosh

### **Company Secretary**

D P Turner

### **Registered Office**

Admiral Way  
Doxford International Business Park  
Sunderland  
SR3 3XP

### **Independent Auditors**

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

# **ARRIVA DERBY LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2003**

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

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

The principal activity of the Company during the year was the operation of bus & coach services.

The Directors consider the state of the Company's affairs to be satisfactory and there have been no material changes since the balance sheet date.

#### **Results and dividends**

The trading results for the year, and the Company's financial position at the end of the year are shown in the attached financial statements.

The Directors recommend the payment of a dividend amounting to £49,800,000 (2002: £3,500,000).

#### **Directors**

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

J C Barlow  
M A Bowd  
R A Bowler  
R C Dyball  
S G McIntosh

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

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

J C Barlow and his immediate family held 226 ordinary shares in Arriva plc at 1 January 2003 and at 31 December 2003.

R C Dyball and his immediate family held 962 ordinary shares in Arriva plc at 1 January 2003 and at 31 December 2003.

# ARRIVA DERBY LIMITED

## THE DIRECTORS' REPORT

### YEAR ENDED 31 DECEMBER 2003

Details of the Directors share options in Arriva plc are shown in the table below:

Name	Date of grant	Exercise price	Number	Number granted during year	Number exercised / lapsed during year	Options at 31/12/03 or at date of retirement	Market value		Period of exercise
							As at date of exercise	As at date of grant	
J C Barlow	01/07/1998	393.07	3,816		(3,816)	0 #		364.50	
	19/04/2000	175.00	5,000		(2,500)	2,500 *	302.00	175.00	
	09/03/2001	272.55	5,000			5,000 *		294.75	09/03/2004 to 09/03/2011
	23/05/2002	354.90	5,000			5,000 +		350.00	23/05/2005 to 23/05/2009
	06/03/2003	283.00		5,000		5,000 +		302.00	06/03/2006 to 06/03/2010
M A Bowd	15/04/1997	398.50	10,000			10,000 +		401.00	14/04/2000 to 14/04/2004
	04/03/1998	418.50	7,000			7,000 *		427.00	04/03/2001 to 04/03/2008
	04/03/1998	418.50	3,000			3,000 +		427.00	04/03/2001 to 04/03/2005
	27/04/1999	386.50	15,000			15,000 +		396.00	27/04/2002 to 27/04/2006
R C Dyball	01/07/1998	393.07	3,816		(3,816)	0 #		364.50	
	04/03/1998	418.50	5,000			5,000 *		427.00	04/03/2001 to 04/03/2008
	19/04/2000	175.00	5,000		(5,000)	0 *	336.00	175.00	
	09/03/2001	272.55	5,000			5,000 +		294.75	09/03/2004 to 09/03/2008
	23/05/2002	354.90	5,000			5,000 +		350.00	23/05/2005 to 23/05/2009
	06/03/2003	283.00		5,000		5,000 +		302.00	06/03/2006 to 06/03/2010

\* Executive Share Option Scheme

+ Share Incentive Scheme

# Savings Related Share Option Scheme

Details of the performance criteria relating to the share option schemes are shown in the Annual Report of Arriva plc.

S G McIntosh did not hold any share options as at 31 December 2003 (31 December 2002: nil).

# ARRIVA DERBY LIMITED

## THE DIRECTORS' REPORT

### YEAR ENDED 31 DECEMBER 2003

Details of the Directors' interests in the Arriva Long Term Incentive Plan (LTIP) are shown in the table below:

Name		Number at 01/01/03	Awarded	Lapsed	Exercised	Number at 31/12/03	Market value	
							As at date of award	As at date of exercise
M A Bowd	02/05/2000	22,801			(22,801)	0	190.00	302.00
	09/03/2001	15,831				15,831	294.75	
	23/05/2002	12,898				12,898	350.00	
	06/03/2003		16,660			16,660	302.00	
		51,530	16,660	0	(22,801)	45,389		

Details of the performance criteria for the vesting of the shares are shown in the Annual Report of Arriva plc.

#### Policy on the payment of creditors

The Company's policy regarding the payment of suppliers is to agree terms of payment at the start of business with each supplier to ensure that the supplier is made aware of the payment terms, and to pay in accordance with its contractual or legal obligations.

#### Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The Directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

# ARRIVA DERBY LIMITED

## THE DIRECTORS' REPORT

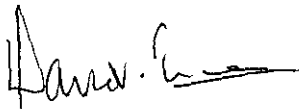
YEAR ENDED 31 DECEMBER 2003

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### Auditors

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

Signed by order of the Directors



D P Turner  
Company Secretary

3 March 2004

# **ARRIVA DERBY LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARRIVA DERBY LIMITED**

**YEAR ENDED 31 DECEMBER 2003**

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

### **Respective responsibilities of Directors and Auditors**

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

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


### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
20 October 2004

# ARRIVA DERBY LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2003

	Note	2003 £000	2002 £000
<b>Turnover</b>	2	9,509	9,803
Cost of sales		(6,183)	(6,427)
<b>Gross profit</b>		3,326	3,376
Administrative expenses		(1,783)	(1,887)
Other operating income		29	11
<b>Operating profit</b>	3	1,572	1,500
Income from shares in group undertakings		14,000	1,000
Interest receivable	5	750	784
Profit on disposal of investments	6	35,525	—
Interest payable	7	(92)	(101)
<b>Profit on ordinary activities before taxation</b>		51,755	3,183
Tax on profit on ordinary activities	8	(1,015)	(274)
<b>Profit on ordinary activities after taxation</b>		50,740	2,909
Dividends	9	(49,800)	(3,500)
<b>Retained profit / (loss) for the financial year</b>	20	940	(591)

All of the activities of the Company are classed as continuing.

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

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

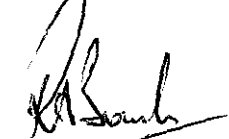
# ARRIVA DERBY LIMITED

## BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £000	2002 £000
<b>Fixed assets</b>			
Tangible assets	10	4,435	4,734
Investments	11	—	3,475
		<u>4,435</u>	<u>8,209</u>
<b>Current assets</b>			
Stocks	12	77	65
Debtors	13	61,903	7,469
Cash at bank		17,631	18,221
		<u>79,611</u>	<u>25,755</u>
<b>Creditors: Amounts falling due within one year</b>	14	<u>78,219</u>	<u>29,375</u>
<b>Net current assets/(liabilities)</b>		<u>1,392</u>	<u>(3,620)</u>
<b>Total assets less current liabilities</b>		<u>5,827</u>	<u>4,589</u>
<b>Creditors: Amounts falling due after more than one year</b>	15	<u>931</u>	<u>702</u>
		<u>4,896</u>	<u>3,887</u>
<b>Provisions for liabilities and charges</b>			
Deferred taxation	17	786	717
		<u>4,110</u>	<u>3,170</u>
<b>Capital and reserves</b>			
Called-up equity share capital	19	3,108	3,108
Profit and loss account	20	1,002	62
<b>Equity shareholders' funds</b>	21	<u>4,110</u>	<u>3,170</u>

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



R A Bowler  
Director

The notes on pages 9 to 15 form part of these financial statements.

# **ARRIVA DERBY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

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### **1. Accounting policies**

#### **Basis of accounting**

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

#### **Cash flow statement**

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

#### **Turnover**

Turnover consists of the gross revenue for road passenger transport together with the aggregate amounts receivable for other goods and services supplied in the ordinary course of the business, excluding VAT.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant, machinery, fixtures and motor vehicles - 10% to 48% per annum on cost

Public service vehicles - Over periods up to 15 years

#### **Investments**

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

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Leasing and hire purchase commitments**

Where assets are financed by leasing agreements ('finance leases') the assets are included in the balance sheet at cost less depreciation in accordance with the Company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### **Pension costs**

Arriva plc operates retirement benefit schemes, both defined benefit and defined contribution schemes, which cover employees of the Company. Contributions made to the defined benefit scheme are based on the cost of providing pensions across all participating group companies. Costs are not determined for each individual company. Contributions payable by the Company are charged to the profit and loss account in the period in which they fall due. Contributions payable under the defined contribution scheme are charged to the profit and loss account as they arise.

#### **Deferred taxation**

The Group accounting policy is to provide for deferred tax on all timing differences except those arising from the revaluation of fixed assets for which there is no binding agreement to sell or on the undistributed profits of overseas subsidiaries. Deferred tax is calculated at the rates at which it is estimated the tax will arise. The deferred tax provision is not discounted to net present value.

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 1. Accounting policies (continued)

##### Investment income

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

#### 2. Turnover

The turnover was derived from the Company's principal activity which was carried out wholly in the UK.

#### 3. Operating profit

Operating profit is stated after charging/(crediting):

	2003 £000	2002 £000
Depreciation of owned fixed assets	241	287
Depreciation of assets held under hire purchase and finance lease agreements	344	335
(Profit) / loss on disposal of fixed assets	(5)	17
Auditors' remuneration		
- as auditors	6	6
Operating lease costs:		
Land and buildings	133	133

#### 4. Particulars of employees

The average number of staff employed by the Company during the financial year amounted to:

	2003 No	2002 No
Drivers	188	195
Engineering	46	54
Administrative	7	18
	241	267

The aggregate payroll costs of the above were:

	2003 £000	2002 £000
Wages and salaries	3,783	3,932
Social security costs	467	283
Pension costs	212	219
	4,462	4,434

None of the Directors received any remuneration from the Company during the year (2002: £nil).

#### 5. Interest receivable

	2003 £000	2002 £000
Bank interest receivable	750	784

#### 6. Profit on disposal of investments

	2003 £000	2002 £000
Profit on sale of investments (see note 11)	35,525	-

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 7. Interest payable

	2003	2002
	£000	£000
Hire purchase and finance lease charges	<u>92</u>	<u>101</u>

#### 8. Tax on profit on ordinary activities

##### (a) Analysis of charge in the year

	2003	2002
	£000	£000
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 30% (2002 - 30%)	<u>946</u>	<u>328</u>
Total current tax	<u>946</u>	<u>328</u>
Deferred tax:		
Increase/(decrease) in deferred tax provision	<u>69</u>	<u>(54)</u>
Tax on profit on ordinary activities	<u>1,015</u>	<u>274</u>

##### (b) Factors affecting current tax charge

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

	2003	2002
	£000	£000
Profit on ordinary activities before taxation	<u>51,755</u>	<u>3,183</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	15,527	955
Difference between capital allowances and depreciation	(3)	(29)
Non-taxable dividend income received from UK companies	(4,200)	(300)
(Profit) / loss on disposal of qualifying assets	(5)	2
Movement in short term timing differences	(57)	9
Adjustment to tax charge in respect of prior periods	342	(309)
Non-taxable profit on sale of investments	<u>(10,658)</u>	<u>-</u>
Total current tax (note 8(a))	<u>946</u>	<u>328</u>

##### (c) Factors that may affect future tax charges

There are no factors which are expected to materially affect future tax charges.

#### 9. Dividends

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

	2003	2002
	£000	£000
Proposed dividend on ordinary shares of £16.02 per share (£1.13 per share)	<u>49,800</u>	<u>3,500</u>

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 10. Tangible fixed assets

	Plant, machinery fixtures and motor vehicles £000	Public service vehicles £000	Total £000
<b>Cost</b>			
At 1 January 2003	975	9,196	10,171
Additions	45	270	315
Disposals	(13)	(342)	(355)
Transfers	-	203	203
<b>At 31 December 2003</b>	<b>1,007</b>	<b>9,327</b>	<b>10,334</b>
<b>Depreciation</b>			
At 1 January 2003	908	4,529	5,437
Charge for the year	21	564	585
On disposals	(13)	(309)	(322)
Transfers	-	199	199
<b>At 31 December 2003</b>	<b>916</b>	<b>4,983</b>	<b>5,899</b>
<b>Net book value</b>			
<b>At 31 December 2003</b>	<b>91</b>	<b>4,344</b>	<b>4,435</b>
At 31 December 2002	67	4,667	4,734

#### Hire Purchase and finance lease agreements

Included within the net book value of £4,435,000 is £1,354,000 (2002 - £620,000) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £344,000 (2002 - £335,000).

#### Capital commitments

	2003 £000	2002 £000
Contracted but not provided for in the financial statements	49	44

#### 11. Investments

	Shares in group undertakings £000
<b>Cost</b>	
At 1 January 2003	3,475
Disposals	(3,475)
<b>At 31 December 2003</b>	<b>-</b>
<b>Net book value</b>	
<b>At 31 December 2003</b>	<b>-</b>
At 31 December 2002	3,475

On 31 December 2003 the Company transferred its shares in group undertakings to Arriva Passenger Services Limited for £39,000,000 resulting in a profit on disposal of £35,525,000.

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 12. Stocks

	2003	2002
	£000	£000
Raw materials	<u>77</u>	<u>65</u>

#### 13. Debtors

	2003	2002
	£000	£000
Trade debtors	255	237
Amounts owed by group undertakings	11,428	6,924
Other debtors	50,120	155
Prepayments and accrued income	100	153
	<u>61,903</u>	<u>7,469</u>

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

	2003	2002
	£000	£000
Trade creditors	74	-
Amounts owed to group undertakings	74,147	26,155
Corporation tax	2,610	1,663
Other taxation and social security	96	92
Hire Purchase and finance lease agreements	586	695
Other creditors	356	320
Accruals and deferred income	350	450
	<u>78,219</u>	<u>29,375</u>

The Company is party to an unlimited multi guarantee involving the bank borrowings of Arriva plc and other group undertakings.

#### 15. Creditors: Amounts falling due after more than one year

	2003	2002
	£000	£000
Hire Purchase and finance lease agreements	<u>931</u>	<u>702</u>

#### 16. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows:

	2003	2002
	£000	£000
Amounts payable within 1 year	586	695
Amounts payable between 1 and 2 years	458	430
Amounts payable between 2 to 5 years	473	272
	<u>1,517</u>	<u>1,397</u>

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 17. Deferred taxation

	2003 £000	2002 £000
The movement in the deferred taxation provision during the year was:		
Provision brought forward	717	771
Profit and loss account movement arising during the year	69	(54)
Provision carried forward	<u>786</u>	<u>717</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2003 £000	2002 £000
Excess of taxation allowances over depreciation on fixed assets	795	789
Short-term timing differences	(9)	(72)
	<u>786</u>	<u>717</u>

#### 18. Commitments under operating leases

At 31 December 2003 the Company had annual commitments under non-cancellable operating leases as set out below:

	Land & Buildings 2003 £000	2002 £000
Operating leases which expire:		
Within 1 year	<u>132</u>	<u>132</u>

#### 19. Share capital

##### Authorised share capital:

	2003 £	2002 £
6,000,000 Ordinary shares of £1 each	<u>6,000,000</u>	<u>6,000,000</u>

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

	2003 No	£	2002 No	£
Ordinary shares of £1 each	<u>3,108,173</u>	<u>3,108,173</u>	<u>3,108,173</u>	<u>3,108,173</u>

#### 20. Reserves

	Profit and loss account £000
Balance brought forward	62
Retained profit for the year	940
Balance carried forward	<u>1,002</u>

# ARRIVA DERBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

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

	2003 £000	2002 £000
Profit for the financial year	50,740	2,909
Dividends	(49,800)	(3,500)
	<u>940</u>	<u>(591)</u>
Opening equity shareholders' funds	3,170	3,761
Closing equity shareholders' funds	<u>4,110</u>	<u>3,170</u>

#### 22. Pension commitments

At 31 December 2003 the ultimate parent company, Arriva plc, operated both a defined benefit and defined contribution retirement scheme providing benefits to certain employees within Arriva Derby Limited. The schemes are financed through separate Trustee administered funds managed by independent professional fund managers on behalf of the Trustees.

Contributions to the defined benefit schemes, the Arriva Derby Limited Pension Fund and the Arriva Passenger Services Pension Plan, are based upon actuarial advice following the most recent actuarial valuation of the funds. The latest actuarial valuations were performed as at 5th April 2003, using the Projected Unit Method. The principal actuarial assumptions were that:

(i) the annual rate of return on investment would be 2.75 per cent higher than the annual increase in total pensionable remuneration of 3.75 per cent; and (ii) there would be no variation from a scheme's rules to pensions in payment.

On the basis of these assumptions the actuarial value of the funds at 5th April 2003 was sufficient to cover 78 per cent of the benefits then accrued to members of the Arriva Derby Limited Pension Fund and 69 per cent of the benefits then accrued to members of the Arriva Passenger Services Pension Plan. The market value of the schemes' assets at 5th April 2003 were £3.3 million and £46.3 million respectively.

The pensions cost charge for the year represents contributions payable by the Company to both schemes and amount to £212,000 (2002: £219,000).

#### FRS 17 'Retirement Benefits'

The Company makes contributions to the aforementioned schemes which are operated by the ultimate parent company, Arriva plc. Other companies within the Arriva Group make contributions to the Arriva Passenger Services Pension Plan, therefore it is not possible for the Company to identify its share of the underlying assets and liabilities as at 31 December 2003. During the year the Arriva Derby Limited Pension Fund became part of the Arriva Passenger Services Pension Plan, therefore it is no longer possible to disclose the information required by FRS 17 'Retirement Benefits' for this scheme.

#### 23. Ultimate parent company

The ultimate parent company and ultimate controlling party is Arriva plc, a company registered in England and Wales, and which has prepared group accounts incorporating the results of Arriva Derby Limited. Copies of these accounts can be obtained from Admiral Way, Doxford International Business Park, Sunderland, SR3 3XP.

Transactions with other companies in the Arriva Group are not specifically disclosed as the Company has taken advantage of the exemption available under FRS 8 'Related Party Disclosures' for wholly-owned subsidiaries.