

PARKING MANAGEMENT (INVESTMENTS) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31ST MARCH, 1989

7C

954968

PEAT MARWICK McLINTOCK
1 Puddle Dock, Blackfriars, London EC4V 3PD.

PARKING MANAGEMENT (INVESTMENTS) LIMITED

REPORT OF THE DIRECTORS

The directors submit their annual report and financial statements for the 53 weeks ended 31st March, 1989.

BUSINESS REVIEW

The principal activity of the company is the letting of property held as an investment. The company also holds property from which trade is carried on by another company in the group.

RESULTS

The results for the period are shown in the profit and loss account on page 3.

DIVIDENDS

The directors recommend the payment of a dividend of £7,000 per share (1988: £6,500).

DIRECTORS

The following directors held office throughout the period:

R.F. Hobson
Sir Donald Gosling
G. Layton
J.G.F. Flack

None of the directors had a beneficial interest in the shares of the company during the period other than through their holdings in the shares of the ultimate holding company, which are shown in the financial statements of that company.

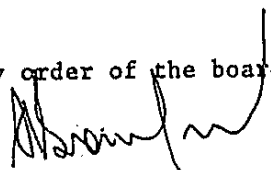
TAX STATUS

In the opinion of the directors the company is a 'close company' within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

Under the provision of Section 384 of the Companies Act 1985, a resolution for the re-appointment of Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board


Secretary

21, Bryanston Street,
London, W1A 4NH.

REPORT OF THE AUDITORS TO THE MEMBERS OF
PARKING MANAGEMENT (INVESTMENTS) LIMITED

We have audited the financial statements set out on pages 3 to 8 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March, 1989 and of its profit and source and application of funds for the period to that date and have been properly prepared in accordance with the Companies Act 1985.

LONDON

31st August 1989

Peat Marwick Philpotts
Chartered Accountants

Peat Marwick Philpotts

PARKING MANAGEMENT (INVESTMENTS) LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE 53 WEEKS ENDED 31ST MARCH, 1989

	<u>Note</u>	<u>53 weeks ended 31st March, 1989</u> £	<u>52 weeks ended 25th March, 1988</u> £
TURNOVER	1(b)	250,000	249,824
Cost of sales		(210,804)	(212,380)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		39,196	37,444
Tax on profit on ordinary activities	3	(13,719)	(13,105)
PROFIT FOR THE FINANCIAL PERIOD		25,477	24,339
Dividend proposed		(14,000)	(13,000)
RETAINED PROFIT FOR THE FINANCIAL PERIOD		11,477	11,339
Retained profit brought forward		116,834	105,495
RETAINED PROFIT CARRIED FORWARD		128,311	116,834

The notes on pages 6 to 8 form
part of these financial statements.

PARKING MANAGEMENT (INVESTMENTS) LIMITEDBALANCE SHEET AT 31ST MARCH, 1989

	Note	31st March, 1989	25th March, 1988
		£	£
FIXED ASSETS			
Tangible assets	1(c)&4	320,000	320,000
CURRENT ASSETS			
Debtors: Amounts owed by group companies		165,407	207,137
Prepayments and accrued income		53,125	-
Cash at bank		37,249	32,034
		<u>255,781</u>	<u>239,171</u>
CREDITORS: Amounts falling due within one year	5	(127,468)	(122,335)
NET CURRENT ASSETS		128,313	116,836
NET ASSETS		<u>448,313</u>	<u>436,836</u>
CAPITAL AND RESERVES:			
Called up share capital	6	2	2
Revaluation reserve	4	320,000	320,000
Profit and loss account		128,311	116,834
		<u>448,313</u>	<u>436,836</u>

These financial statements were approved
by the Board of Directors on 31st August, 1989.

[Signature])
[Signature]) Directors

The notes on pages 6 to 8 form part of these financial statements.

PARKING MANAGEMENT (INVESTMENTS) LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE 53 WEEKS ENDED 31ST MARCH, 1989

	53 weeks ended 31st March, 1989	52 weeks ended 25th March, 1988
	£	£
SOURCE OF FUNDS		
Profit before taxation	39,196	37,444
APPLICATION OF FUNDS		
Taxation paid	(13,105)	(12,790)
Dividend paid	(13,000)	-
	<hr/>	<hr/>
INCREASE IN WORKING CAPITAL	13,091	24,654
	<hr/>	<hr/>
COMPONENTS OF INCREASE IN WORKING CAPITAL		
Amounts owed by group companies	(41,730)	27,689
Prepayments and accrued income	53,125	(3,333)
Accruals and deferred income	<u>(3,519)</u>	<u>(7,180)</u>
	7,876	17,176
Movement in net liquid funds:		
Increase in cash at bank	5,215	7,478
	<hr/>	<hr/>
	13,091	24,654
	<hr/>	<hr/>

PARKING MANAGEMENT (INVESTMENTS) LIMITEDNOTES ON THE FINANCIAL STATEMENTS1. ACCOUNTING POLICIES

(a) The financial statements have been prepared under the historical cost convention as adjusted by the revaluation of one leasehold investment property.

(b) Turnover represents rental income receivable.

(c) No depreciation is provided on leasehold investment property with sixty years or more of the lease unexpired. This policy is in accordance with Statement of Standard Accounting Practice 19 but does not comply with Section 228 of the Companies Act 1985.

If the leasehold investment property with more than sixty years of the lease unexpired had been depreciated over sixty years using the values at which it is stated in the financial statements, an additional charge of some £5,333 (1988:£5,333) would have been required in the 53 weeks to 31st March, 1989.

(d) No provision for deferred taxation is made in respect of surpluses on revaluation of properties as disposal is not foreseen.

2. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

No director received any emoluments during the period (1988:nil).

There were no employees during the period (1988:none).

3. TAXATION

Taxation is based on profit for the period at 35% (1988:35%):

	53 weeks ended 31st March, 1989 £	52 weeks ended 25th March, 1988 £
Corporation tax charge for the period	13,719 =====	13,105 =====

The potential amount of deferred tax at 35% (1988:35%) for which no provision has been made in respect of the disposal of property at valuation is £112,000 (1988:£112,000).

PARKING MANAGEMENT (INVESTMENTS) LIMITED

Page 7

NOTES ON THE FINANCIAL STATEMENTS

4. FIXED ASSETS

	Long term leasehold property £
(a) Valuation:	
At 26th March, 1988	320,000
Surplus on revaluation at 31st March, 1989	-
	<hr/>
At 31st March, 1989	320,000 =====

The cost of leasehold property included above at valuation is £nil (1988:£nil).

- (b) The valuation of the property held as an investment was carried out by the directors at 31st March, 1989 on the basis of open market value.
- (c) The company's bankers have a mortgage over the company's property. The charge is part of the overall group security.

5. CREDITORS

	31st March, 1989 £	25th March, 1988 £
Amounts falling due within one year:		
Current taxation	13,719	13,105
Accruals and deferred income	99,749	96,230
Dividend	14,000	13,000
	<hr/>	<hr/>
	127,468 =====	122,335 =====

6. SHARE CAPITAL

At 31st March, 1989 and 26th March, 1988:

Authorised:

Ordinary shares of £1 each	£100 =====
----------------------------	---------------

Allotted, called up and fully paid:

Ordinary shares of £1 each	£ 2 =====
----------------------------	--------------

PARKING MANAGEMENT (INVESTMENTS) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

7. CONTINGENT LIABILITY

Under a group registration, the company is jointly and severally liable for Value Added Tax due by other group companies. At 31st March, 1989 this contingent liability amounted to £3,651,062 (1988:£3,034,434).

8. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is National Parking Corporation Limited, which is incorporated in Great Britain.