Company number 02823519

George Watt Limited

Report and financial statements

For the period from 28 March 2015 to 25 March 2016

George Watt Limited

REPORT AND FINANCIAL STATEMENTS

CONTENTS

George Watt Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J L Cooper
J P Scott

COMPANY SECRETARY

A Campbell

REGISTERED OFFICE

Saffron Court
14B St. Cross Street
London
EC1N 8XA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

George Watt Limited

DIRECTORS' REPORT

The directors present their report and the audited financial statements for George Watt Limited ("the Company") for the period from 28 March 2015 to 25 March 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the leasing of properties to its fellow group company, National Car Parks Limited ("NCPL"), for the purposes of that company's trade. The directors do not envisage any change in the principal activities during the forthcoming period.

BUSINESS REVIEW

The trading results are shown in the profit and loss account on page 6.

As at 25 March 2016, the Company had net liabilities of £6.6 million (27 March 2015: net liabilities of £6.7 million).

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly the principal risks and uncertainties of MEIF II CP Holdings 1 Limited group ("the Group"), which include those of the Company, are discussed on pages 4 and 5 of the Group's annual report which do not form part of this report.

The directors of MEIF II CP Holdings 1 Limited manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group, which includes the Company, are discussed on pages 2 to 4 of the Group's annual report, which do not form part of this report.

GOING CONCERN

As at the balance sheet date, the Company had net liabilities. The directors have received confirmation from MEIF II CP Holdings 1 Limited that it will, to the extent that it is able, provide such financial assistance to the Company to allow the Company to meet liabilities as they fall due for a period of twelve months from the date of approval of these financial statements. Accordingly, the directors have concluded that continuing to prepare the financial statements on a going concern basis is appropriate.

DIVIDENDS

The directors do not recommend the payment of a dividend (period ended 27 March 2015: £nil).

DIRECTORS

The directors who held office throughout the period and up to the date of signing the financial statements were as follows:

J L Cooper
J P Scott

DIRECTORS' REPORT (continued)

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' INDEMNITIES

The Company has maintained qualifying third party indemnity insurance throughout the period and up to the date of signing the financial statements on behalf of its directors and officers.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

(1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This directors' report has been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board of directors
and signed on its behalf by

J P Scott
Director
14 December 2016

Independent auditors' report to the members of George Watt Limited

Report on the financial statements

Our opinion

In our opinion, George Watt Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 25 March 2016 and of its profit for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report, comprise:

- the Balance sheet as at 25 March 2016;
- the Profit and loss account for the period then ended;
- the Statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the 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 financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the 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 financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.
We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.
In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Peter Acloque

Peter Acloque (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 December 2016

PROFIT AND LOSS ACCOUNT
For the period from 28 March 2015 to 25 March 2016

	Note	28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
TURNOVER		509	1,647
Cost of sales		(387)	(1,470)
Gross profit		122	177
Administrative expenses		(21)	(19)
OPERATING PROFIT		101	158
Interest payable and similar charges	2	(1)	(20)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	100	138
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL PERIOD		100	138

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical costs equivalents.

There was no other comprehensive income in either period other than the profit for each period. Accordingly, no statement of total recognised gains and losses is presented.

All of the activities of the Company are continuing.

The notes on pages 9 to 13 form an integral part of these financial statements.

George Watt Limited

BALANCE SHEET
As at 25 March 2016

Company number 02823519

	Note	25 March 2016 £'000	27 March 2015 £'000
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(6,608)	(6,651)
NET CURRENT LIABILITIES		(6,608)	(6,651)
PROVISIONS FOR LIABILITIES	7	-	(57)
NET LIABILITIES		(6,608)	(6,708)
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account		(6,609)	(6,709)
TOTAL SHAREHOLDERS' DEFICIT		(6,608)	(6,708)

The notes on pages 9 to 13 form an integral part of these financial statements.

The financial statements on pages 6 to 13 were approved by the board of directors on 14 December 2016 and signed on its behalf by:

J P Scott
Director

STATEMENT OF CHANGES IN EQUITY
For the period from 28 March 2015 to 25 March 2016

Company number 02823519

	Called up share capital	Profit and loss account	Total shareholders' funds/(deficit)
	£'000	£'000	£'000
At 29 March 2014	1	(6,847)	(6,846)
Profit and total comprehensive income for the financial period ended 27 March 2015	-	138	138
At 28 March 2015	1	(6,709)	(6,708)
Profit and total comprehensive income for the financial period ended 25 March 2016	-	100	100
At 25 March 2016	1	(6,609)	(6,608)

The notes on pages 9 to 13 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 28 March 2015 to 25 March 2016

1. ACCOUNTING POLICIES

General Information

George Watt Limited (the "Company") is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Saffron Court, 14b St Cross Street, London, EC1N 8XA.

The principal activity of the Company is the leasing of properties to its fellow group company, National Car Parks Limited ("NCPL"), for the purposes of that company's trade.

Statement of compliance

The individual financial statements of George Watt Limited have been prepared in compliance with the applicable United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") in the United Kingdom.

The Company has also early adopted the amendments to FRS 102 which were issued in July 2015.

Summary of significant accounting policies

The following accounting policies have been applied consistently in both the current and preceding period in dealing with items which are considered material in relation to the Company's financial statements. Details of the transition to FRS 102 are disclosed in note 14.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost accounting convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying entity, the Company has taken advantage of the following exemptions:

(i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;

(ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;

(iii) from disclosing share based payment arrangements, required by paragraphs 26.18(b), 26.19 to 26.21 and 26.23 of

FRS 102, concerning its own equity instruments;

(iv) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and

(v) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 28 March 2015 to 25 March 2016

1 ACCOUNTING POLICIES (continued)

Foreign currency

(i) Functional and presentation currency

The Company financial statements are presented in pound sterling and rounded to thousands.

Turnover

The Company's turnover comprises receipts from the management and operation of car parks, derived from activities performed within the United Kingdom. Turnover is recognised on customers' exit of the car park or, for season tickets, is spread over the life of the season ticket and recognised at the end of each calendar month.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

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 result in an obligation to pay more tax, or a right to pay less tax, at a future date, have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax is measured on an undiscounted basis.

Provisions for liabilities

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The company operates a policy to provide for forecast losses under onerous contracts. Where an onerous contract is identified, forecasts for future trading losses are prepared and subsequently discounted using an adjusted risk free rate of return to reflect timing of future cash outflows.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
Profit on ordinary activities before taxation is stated after (crediting)/charging:		
Interest payable and similar charges - notional interest on provisions	1	20
Credit to provision for onerous contracts (note 7)	-	(52)
Operating lease rentals – land and buildings	258	1,233

3. AUDITORS' REMUNERATION

The auditors' remuneration for the audit of the Company's financial statements of £2,000 (period ended 27 March 2015: £2,000) was borne by National Car Parks Limited ("NCP"), a fellow group company.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 28 March 2015 to 25 March 2016

4. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

None of the directors received any emoluments from the Company during the current and preceding periods in respect of their services to the Company. There were no employees during either period.

Amounts recharged to the Company by NCP, the immediate parent company, in the period included £33,847 (period ended 27 March 2015: £349,232) in respect of the wages and salaries of NCP employees carrying out work on behalf of the Company.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge for the period was £nil (period ended 27 March 2015: £nil)

The tax assessed for the current period and for the preceding period is different from that resulting from applying the standard rate of corporation tax in the UK of 20% (period ended 27 March 2015: 21%). The differences are explained below:

	28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
Profit on ordinary activities before taxation	100	138
Tax at 20% (period ended 27 March 2015: 21%) thereon:	(20)	(29)
Effects of:		
Utilisation of losses	20	29
Total tax for the period	-	-

A deferred tax asset has not been recognised in respect of timing differences relating to surplus losses not utilised in the current period as there is insufficient evidence that the asset will be recovered. The amount of the deferred tax asset not recognised is £206,000 (27 March 2015: £237,000).

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	25 March 2016 £'000	27 March 2015 £'000
Amounts owed to Group undertakings	6,608	6,651

All amounts owed to Group undertakings are non interest bearing, unsecured and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 28 March 2015 to 25 March 2016

7. PROVISIONS FOR LIABILITIES

	Provision for onerous contracts £'000
At 28 March 2015	57
Credit to profit and loss account	-
Notional interest	1
Utilised in the period	(58)
At 25 March 2016	-

8. CALLED UP SHARE CAPITAL

	25 March 2016 £'000	27 March 2015 £'000
Authorised:		
1,000 (2015: 1,000) ordinary shares of £1 each	1	1
Allotted and fully paid:		
1,000 (2015: 1,000) ordinary shares of £1 each	1	1

9. FINANCIAL COMMITMENTS

Minimum annual commitments under non-cancellable operating leases were as follows:

	Land and buildings	
	25 March 2016 £'000	27 March 2015 £'000
Operating leases which expire:		
In less than one year	253	45
In more than one year, but not more than five years	-	510
Amounts due	253	555

Where the Company enters into arrangements to guarantee the indebtedness of other members of the Group, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

On 27 April 2012 the Company entered as a guarantor to the £140 million senior facilities agreement of MEIF II CP Holdings 3 Limited with Royal Bank of Canada and other parties.

10. CONTINGENT LIABILITIES

Under a group registration the Company is jointly and severally liable for the value added tax due by other group companies. At 25 March 2016, this contingent liability amounted to £3.5 million (27 March 2015: £3.4 million).

11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under paragraph 33.1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' on the grounds that it is a wholly owned subsidiary of a group headed by MEIF II CP Holdings 1 Limited, whose financial statements are publicly available.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 28 March 2015 to 25 March 2016

12. POST BALANCE SHEET EVENTS

The parent company MEIF II CP Holdings 1 Limited refinanced its senior debt facility on 2nd December 2016. This has no direct impact on the company.

13. ULTIMATE PARENT AND CONTROLLING PARTY

The Company's immediate parent company and controlling party is National Car Parks Limited, a company incorporated and registered in England.

The Company's ultimate parent and controlling party is Macquarie European Infrastructure Fund II, an English limited partnership with its registered office at 3rd Floor, 10 Lefebvre Street, St Peter Port, Guernsey, GY1 2PE. The parent undertaking of the largest group which includes the Company and for which consolidated financial statements are prepared is Macquarie European Infrastructure Fund II. The parent undertaking of the smallest such group is MEIF II CP Holdings 1 Limited, a company incorporated in England. Copies of the consolidated financial statements of MEIF II CP Holdings 1 Limited are available from Saffron Court, 14b St Cross Street, London, EC1N 8XA.

14. TRANSITION TO FRS 102

This is the first period that the Company has presented its results under FRS 102. The last financial statements under previous UK GAAP were for the period ended 27 March 2015. The date of transition to FRS 102 was 29 March 2014. The Company has early adopted the amendments to FRS 102 (issued in July 2015). Set out below are the changes in accounting policies which reconcile profit for the financial period ended 27 March 2015 and the total equity as at 29 March 2014 and 27 March 2015 between UK GAAP as previously reported and FRS 102.

Estimates

The estimates at 29 March 2014 and 27 March 2015 are consistent with those made for the same dates in accordance with UK GAAP.

Summary of transition impact

The previously reported financial position and financial performance has not been re-measured on transition to FRS 102.