

Registered number 3257901

3C Transac Limited

Report and financial statements for the year ended 31 December 2004



3C Transac Limited

Annual report for the year ended 31 December 2004

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3C Transac Limited

Directors

Peter Scrope
Michael Balzer

Secretary

Tele2 UK Services Limited

Auditors

Deloitte and Touche LLP
Chartered Accountants
London

Bankers

Lloyds TSB Bank plc
Butler Place
London SW1H 0PR

Solicitors

Eversheds
Senator House
85 Queen Victoria Street
London EC4V 4JL

Registered Office

391 Richmond Road
Twickenham
Middlesex TW1 2EF

3C Transac Limited

Directors' report for the year ended 31 December 2004

The directors present their report and the audited financial statements of the company for the year ended 31 December 2004.

Principal activities

The principal activities of the company continue to be credit card/charge card car parking services and integrated Transac credit card/charge card handling business.

Review of business and future developments

The directors are satisfied with the progress of the business and hope to see an improvement in trading next year.

Results and dividends

The profit and loss account for the year is set out on page 7. The company's profit for the current financial year is £800,088 (2003: £783,673).

No dividends were paid or proposed in the year (2003: £nil).

Directors and their interests

The directors who held office during the year ended 31 December 2004 are given below:

Peter Scrope	
Dr Alex Zivoder	(resigned 16 September 2005)
Michael Balzer	(appointed 16 September 2005)

None of the directors had a beneficial interest in the share capital of the company during the year ended 31 December 2004.

Fixed assets

The movements in fixed assets during the year are set out in note 8 to the financial statements.

3C Transac Limited

Directors' report for the year ended 31 December 2004 (continued)

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial period to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

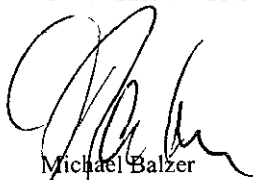
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 proper accounting records that 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 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.

Auditors

The Board decided to appoint Deloitte & Touche LLP as auditors to the Company. Accordingly, PriceWaterhouseCoopers LLP resigned on 28 July 2005 and Deloitte & Touche LLP was appointed by the directors on 28 July 2005.

On behalf of the board



Michael Balzer
Director

Date.....31/12/06.....

Independent auditors' report to the members of 3C Transac Limited

We have audited the financial statements of 3C Transac Limited for the year ended 31 December 2004 which comprises the profit and loss account, the balance sheet and the related notes 1 to 17. These financial statements have been prepared under 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

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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

Basis of audit opinion

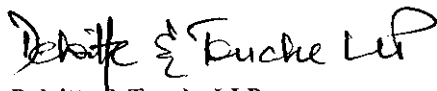
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the *significant estimates 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.

Independent auditors' report to the members of 3C Transac Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

17th February 2006.

3C Transac Limited

Profit and loss account for the year ended 31 December 2004

	Notes	2004 £	2003 £
Turnover	3	2,680,762	2,374,336
Cost of sales		(1,204,757)	(1,083,733)
Gross profit		1,476,005	1,290,603
Administrative expenses		(793,109)	(592,059)
Operating profit	4	682,896	698,544
Interest receivable and similar income	6	117,192	85,129
Profit on ordinary activities before taxation		800,088	783,673
Tax on profit on ordinary activities	7	-	-
Retained profit for the financial year	12, 13	800,088	783,673

The above results were derived entirely from continuing operations.

The company has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

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

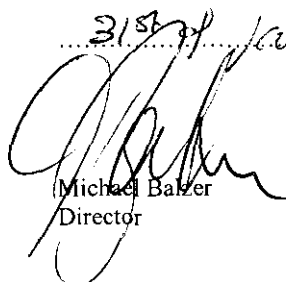
3C Transac Limited

Balance sheet as at 31 December 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	8	15,496	25,244
Current assets			
Debtors	9	2,590,918	2,023,683
Stock	10	70,297	-
Cash at bank and in hand		2,803,072	2,321,244
		<u>5,464,287</u>	<u>4,344,927</u>
Creditors: amounts falling due within one year	11	<u>(3,602,479)</u>	<u>(3,292,955)</u>
Net current assets		<u>1,861,808</u>	<u>1,051,972</u>
Net assets		<u>1,877,304</u>	<u>1,077,216</u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	1,877,302	1,077,214
Equity shareholder's funds	14	<u>1,877,304</u>	<u>1,077,216</u>

The financial statements on pages 7 to 15 were approved by the board of directors on

31st January 2005 and were signed on its behalf by


 Michael Balzer
 Director

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom laws and accounting standards and under the historical cost accounting rules.

Turnover

Turnover, which excludes valued added tax and trade discounts, represents the value of Transac and car parking commission, all of which are earned through charge and credit cards.

Fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and Machinery	20% per annum
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The company reviews the economic useful life of fixed assets on an annual basis to ensure that the carrying values do not exceed the recoverable amount, being the higher of net realisable values and value in use.

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.

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax assets and liabilities in accordance with FRS 19, using full provision accounting, when an event has taken place by the balance sheet date which gives rise to an increased or reduced tax liability in the future. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Stock

Stock is stated at the lower of cost and net realisable value. Cost represents direct materials and where applicable those overheads that have been incurred in bringing the inventories to their present location and condition.

2 Cash flow statement and related party disclosures

The company is a wholly-owned subsidiary of Tele2 AB and its financial performance is included in the consolidated financial statements of Tele2 AB, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities which are part of the group.

Copies of the group financial statements for Tele2 AB are available from its registered office: PO Box 2094, 10313 Stockholm, Sweden.

3 Turnover

Turnover was derived from the principal activities of the company and arose solely in the United Kingdom.

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

4 Operating Profit

This is stated after charging/(crediting):

	2004	2003
	£	£
Foreign exchange (profit)/loss on operating activities denominated in foreign currencies	(6,508)	1,041
Auditors' remuneration audit services	19,015	32,000
Depreciation of tangible fixed assets	20,554	22,489
Operating lease charges other	15,641	6,692
Management charge (note 5)	248,156	309,731

5 Staff costs

The cost of employees and their average number are included in the financial statements of a fellow subsidiary, Tele2 UK Communications Limited that employs and pays them. During the year Tele2 UK Communications Limited recharged staff costs, as a management charge, in respect of services provided amounting to £248,156 (2003: £309,731).

6 Interest receivable and similar income

	2004	2003
	£	£
Bank interest	117,192	85,129

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

7 Tax on profit on ordinary activities

	2004 £	2003 £
<i>The taxation credit comprises:</i>		
Current tax:		
Total current tax	-	-
Tax Reconciliation:		
Profit on ordinary activities before taxation	800,088	783,673
Expected tax charge at 30%	240,026	235,102
Effects of:		
Permanent items	2,554	601
Accelerated capital allowances and other timing differences	(355)	9,647
Group relief claimed for no consideration	(242,225)	(245,350)
Total amount of current taxation	-	-

In accordance with FRS 19 "Deferred Tax", no deferred tax asset has been recognised in the financial statements as it is insufficiently certain that suitable taxable profits will arise against which these timing differences can reverse. The unrecognised deferred tax asset is as follows:

	2004 £	2003 £
Accelerated capital allowances	22,527	22,882
Short term timing differences	-	6,150
Total potential deferred tax assets	22,527	29,032

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

8 Tangible fixed assets

	<i>Plant and machinery</i> £
Cost:	
At 1 January 2004	71,006
Additions	10,806
At 31 December 2004	81,812
Depreciation:	
At 1 January 2004	45,762
Charge for the year	20,554
At 31 December 2004	66,316
Net book value:	
At 31 December 2004	15,496
At 31 December 2003	25,244

9 Debtors

	<i>2004</i> £	<i>2003</i> £
Trade debtors	792,957	715,720
Amounts owed by group undertakings	1,797,503	1,294,817
Prepayments and accrued income	458	13,146
	2,590,918	2,023,683

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

10 Stock

	<i>2004</i> £	<i>2003</i> £
Goods for resale	70,297	-
	70,297	-

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

11 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	2,273,723	2,081,276
Amounts due to group undertakings	471,579	493,564
Taxation and social security	249,581	239,676
Accruals and deferred income	607,596	478,439
	<u>3,602,479</u>	<u>3,292,955</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

12 Called up share capital

	2004 £	2003 £
Authorised		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

	2004 £	2003 £
Allotted and fully paid:		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

13 Profit and loss reserve

	£
At 1 January 2004	1,077,214
Profit for the financial year	800,088
At 31 December 2004	<u>1,877,302</u>

14 Reconciliation of movements in Equity shareholder's funds

	2004 £	2003 £
Equity Shareholder's funds at 1 January	1,077,216	293,543
Profit for the financial year	800,088	783,673

3C Transac Limited

Notes to the financial statements for the year ended 31 December 2004 (continued)

Equity Shareholder's funds at 31 December	<u>1,877,304</u>	<u>1,077,216</u>
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15 Capital and other commitments

There were no capital commitments at the end of the financial year (2003: £nil).

Annual commitments under non-cancellable operating leases, none of which are in relation to land and buildings, are as follows:

	2004 £	2003 £
Operating leases which expire:		
Within one year	-	-
In the second to fifth years	15,641	6,692
	<u>15,641</u>	<u>6,692</u>

16 Post balance sheet events

There have been no events that have had a significant effect on the financial statements since 31 December 2004.

17 Ultimate parent undertaking

The company's immediate parent company is 3C Communications Limited.

The ultimate parent undertaking and controlling party is Tele2 AB, a company incorporated in Sweden, which is the parent undertaking and the smallest and largest group to consolidate these financial statements.

Copies of the group financial statements for Tele2 AB are available from its registered office:
PO Box 2094, 10313 Stockholm, Sweden.