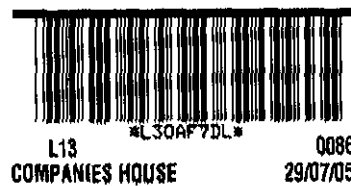


**3C Transac Limited**  
**Annual report**  
**for the year ended 31 December 2003**  
Registered number 3257901



# **3C Transac Limited**

## **Annual report for the year ended 31 December 2003**

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# **3C Transac Limited**

## **Directors**

Peter Scrope  
Dr Alex Zivoder

## **Secretary**

Tele2 UK Services Limited

## **Auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London WC2N 6RH

## **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 2003**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2003.

#### **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 6. The company's profit for the current financial year is £783,673 (2002: £279,630).

No dividends were paid or proposed in the year (2002: £Nil).

#### **Directors and their interests**

The directors who held office during the year ended 31 December 2003 are given below:

Jean Claude Bintz	(resigned on 1 November 2003)
Lars-Johan Jarnheimer	(resigned on 1 January 2003)
Peter Scrope	
Dr Alex Zivoder	(appointed on 1 January 2003)

None of the directors had a beneficial interest in the share capital of the company during the year ended 31 December 2003.

#### **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 2003 (continued)

#### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 those financial statements, the directors are required to:

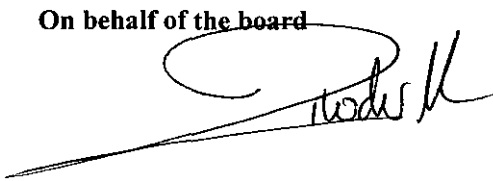
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare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

PricewaterhouseCoopers LLP will not seek re-appointment at the forthcoming Annual General Meeting. A resolution is to be proposed at the Annual General Meeting for the appointment of Deloitte & Touche LLP as the Company's auditors.

On behalf of the board

  
Dr Alex Zivoder  
Director

Date..... 28 July 2005 .....

## 3C Transac Limited

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

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

#### 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 on page 4.

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.

#### 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 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*

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London

*29 July 2005*

## 3C Transac Limited

### Profit and loss account for the year ended 31 December 2003

	Notes	2003 £	2002 £
Turnover	3	2,374,336	1,856,533
Cost of sales		(1,083,733)	(1,104,566)
Gross profit		1,290,603	751,967
Administrative expenses		(592,059)	(511,789)
Operating profit	4	698,544	240,178
Interest receivable and similar income	6	85,129	23,357
Profit on ordinary activities before taxation		783,673	263,535
Tax on profit on ordinary activities	7	-	16,095
Retained profit for the financial year	12	783,673	279,630

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

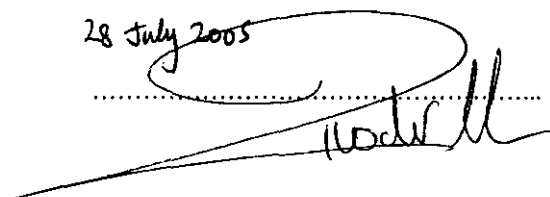
### Balance sheet as at 31 December 2003

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	8	25,244	47,733
<b>Current assets</b>			
Debtors	9	2,023,683	2,156,455
Cash at bank and in hand		2,321,244	1,475,859
		<u>4,344,927</u>	<u>3,632,314</u>
<b>Creditors: amounts falling due within one year</b>	10	(3,292,955)	(3,386,504)
<b>Net current assets/(liabilities)</b>		<u>1,051,972</u>	<u>245,810</u>
<b>Net assets</b>		<u>1,077,216</u>	<u>293,543</u>
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account	12	1,077,214	293,541
<b>Equity shareholder's funds</b>	13	<u>1,077,216</u>	<u>293,543</u>

The financial statements on pages 6 to 14 were approved by the board of directors on

28 July 2005

..... and were signed on its behalf by



Dr Alex Zivoder  
Director



# 3C Transac Limited

## Notes to the financial statements for the year ended 31 December 2003

### 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 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 2003 (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.

#### **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 2003 (continued)

#### 4 Operating Profit

This is stated after charging:

	2003 £	2002 £
Foreign exchange loss on operating activities <i>denominated in foreign currencies</i>	1,041	10,452
Auditors' remuneration – audit services	32,000	14,938
Depreciation of tangible fixed assets	22,489	11,119
Loss on disposal of fixed assets	-	42,170
Operating lease charges – other	6,692	18,833
Management charge (note 5)	309,731	236,211

#### 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 £309,731 (2002 : £236,211).

#### 6 Interest receivable and similar income

	2003 £	2002 £
Bank interest	85,129	23,357

# 3C Transac Limited

## Notes to the financial statements for the year ended 31 December 2003 (continued)

### 7 Tax on profit on ordinary activities

	2003 £	2002 £
The taxation credit comprises:		
<b>Current tax:</b>		
Adjustment in respect of prior years	-	(16,095)
Total current tax	-	(16,095)
<b>Tax Reconciliation:</b>		
Profit on ordinary activities before taxation	783,673	263,535
Expected tax charge at 30%	235,102	79,061
Effects of:		
Permanent items	601	194
Accelerated capital allowances and other timing differences	9,647	2,959
Tax Losses previously not booked	-	(14,572)
Group Relief claimed for no consideration	(245,350)	(67,642)
Adjustment in respect of prior years	-	(16,095)
Total amount of current taxation	-	(16,095)

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:

	2003 £	2002 £
Accelerated capital allowances	22,882	20,351
Short term timing differences	6,150	-
Total potential deferred tax assets	29,032	20,351

## 3C Transac Limited

### Notes to the financial statements for the year ended 31 December 2003 (continued)

#### 8 Tangible fixed assets

	<i>Plant and machinery</i> £
<b>Cost:</b>	
At 1 January 2003	71,006
Additions	-
Disposals	-
<b>At 31 December 2003</b>	<b>71,006</b>
<b>Depreciation:</b>	
At 1 January 2003	23,273
Charge for the year	22,489
Disposals	-
<b>At 31 December 2003</b>	<b>45,762</b>
<b>Net book value:</b>	
<b>At 31 December 2003</b>	<b>25,244</b>
At 31 December 2002	47,733

#### 9 Debtors

	<i>2003</i> £	<i>2002</i> £
Trade debtors	715,720	1,009,853
Amounts owed by group undertakings	1,294,817	1,144,590
Prepayments and accrued income	13,146	2,012
	<b>2,023,683</b>	<b>2,156,455</b>

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

#### 10 Creditors: amounts falling due within one year

	<i>2003</i> £	<i>2002</i> £
Trade creditors	2,081,276	2,739,069
Amounts due to group undertakings	493,564	178,710
Taxation and social security	239,676	210,570
Accruals and deferred income	478,439	258,155
	<b>3,292,955</b>	<b>3,386,504</b>

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

## 3C Transac Limited

### Notes to the financial statements for the year ended 31 December 2003 (continued)

#### 11 Called up share capital

	2003 £	2002 £
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>
	2003 £	2002 £
<b>Allotted and fully paid:</b>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>
	<u><u>2</u></u>	<u><u>2</u></u>

#### 12 Profit and loss reserve

	£
At 1 January 2003	293,541
Profit for the financial year	783,673
At 31 December 2003	<u>1,077,214</u>

#### 13 Reconciliation of movements in shareholder's funds

	2003 £	2002 £
Shareholder's funds at 1 January	293,543	13,913
Profit for the financial year	783,673	279,630
Shareholder's funds at 31 December	<u>1,077,216</u>	<u>293,543</u>

## **3C Transac Limited**

### **Notes to the financial statements for the year ended 31 December 2003 (continued)**

#### **14 Capital and other commitments**

There were no capital commitments at the end of the financial year (2002: £nil).

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

	2003 £	2002 £
Operating leases which expire:		
Within one year	-	-
In the second to fifth years	6,692	18,833
	<u>6,692</u>	<u>18,833</u>

#### **15 Post balance sheet events**

There have been no events that have had a significant effect on the financial statements since 31 December 2003.

#### **16 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 of 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.