

NCP South West & Wales Development Limited

Directors' report and financial statements

29 December 2000



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NCP South West & Wales Development Limited

Directors' report and financial statements

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NCP South West & Wales Development Limited

Officers and professional advisers

Directors

KW Gaskell
JA Theophilus
TAM Hanson
RM Macnaughton

Secretary

TAM Hanson

Auditors

Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

Solicitors

Hamlin Slowe
Roxburghe House
273-287 Regent Street
London W1A 4SQ

Registered office

21 Bryanston Street
London W1H 7AB

Registered number

3577174

NCP South West & Wales Development Limited

Directors' report

The directors present their annual report and the audited financial statements for the 53 weeks ended 29 December 2000

Principal activities and future prospects

The principal activity of the company is the leasing of properties to its fellow Group company, National Car Parks Limited, 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 5.

Proposed dividend

The final dividend recommended by the directors is £1,300 (1999: £1,400) per ordinary share.

Directors and directors' interests

The directors who held office throughout the period were as follows:

KW Gaskell
JA Theophilus
TAM Hanson
RM Macnaughton

None of the directors had a beneficial interest in the shares of the company or any other Group company.

Auditors

A resolution to reappoint the auditors, Deloitte & Touche, will be proposed at the forthcoming Annual General Meeting.

By order of the Board



TAM Hanson
Secretary

21 Bryanston Street
London W1H 7AB

26 June 2001

NCP South West & Wales Development Limited

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 at the end of the financial period and of the profit or loss 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 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 a 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.

NCP South West & Wales Development Limited

Report of the auditors to the members of NCP South West & Wales Development Limited

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on pages 7 to 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 29 December 2000 and of its profit for the 53 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
*Chartered Accountants and
Registered Auditors*

Hill House
1 Little New Street
London EC4A 3TR

9 July 2001

NCP South West & Wales Development Limited

Profit and loss account

for the 53 weeks ended 29 December 2000

	Note	53 weeks ended 29 December 2000 £'000	52 weeks ended 24 December 1999 £'000
Turnover	1	1,575	1,377
Cost of sales		(272)	(197)
Gross profit		<u>1,303</u>	<u>1,180</u>
Administrative expenses		(102)	(76)
Profit on disposal of properties			305
Operating profit on ordinary activities before taxation	2	<u>1,201</u>	<u>1,409</u>
Tax on profit on ordinary activities	5	-	214
Profit on ordinary activities after taxation		<u>1,201</u>	<u>1,623</u>
Dividends – proposed		(1,300)	(1,400)
Retained (loss) / profit for the financial period	10	<u>(99)</u>	<u>223</u>

There were no recognised gains or losses other than the profit for the periods. Accordingly, no statement of total recognised gains and losses is presented.

The results for the 53 weeks ended 29 December 2000 and for the 52 weeks ended 24 December 1999 reflect the continuing operations of the company.

The notes on pages 7 to 12 form part of these financial statements.

NCP South West & Wales Development Limited

Balance sheet

at 29 December 2000

	Note	29 December 2000		24 December 1999	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	1,6		13,879		14,073
Current assets					
Debtors	7	2,349		2,251	
Creditors: amounts falling due within one year	8	(1,511)		(1,508)	
Net current assets			838		743
Total assets less current liabilities			<u>14,717</u>		<u>14,816</u>
Capital and reserves					
Called up share capital	9		1		1
Share premium account	10		14,549		14,549
Profit and loss account	10		167		266
Equity shareholders' funds	11		<u>14,717</u>		<u>14,816</u>

These financial statements were approved by the Board of Directors and signed on its behalf on 26 June 2001 by:



RM Macnaughton
Director

NCP South West & Wales Development Limited

Notes to the accounts

for the 53 weeks ended 29 December 2000

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, under the historical cost accounting rules, and on a going concern basis.

Turnover

The company's turnover comprises gross rents receivable derived from activities performed within the United Kingdom.

Tangible fixed assets

Tangible fixed assets comprise properties in which NCP South West & Wales Development Limited holds the beneficial ownership. Although legal title is held by fellow Group companies, the risks and rewards of ownership are held by NCP South West & Wales Development Limited.

(i) *Operating properties*

Properties which are leased to other Group companies, for use in the Group's trading, are regarded as operating properties, and are stated in the financial statements at cost less accumulated depreciation. Provisions in respect of impairment in value of properties are charged or released to the profit and loss account.

(ii) *Investment properties*

Properties which are held on a long term basis, but are not used as operating properties within the Group, are regarded as investment properties and, in accordance with Statement of Standard Accounting Practice No. 19, are stated in the financial statements at directors' valuation based on open market value. Provisions in respect of impairment in value of properties are charged or released directly to the profit and loss account. Surpluses and temporary deficits are taken to the revaluation reserve.

NCP South West & Wales Development Limited

Notes to the accounts (*continued*) for the 53 weeks ended 29 December 2000

1 Accounting policies (*continued*)

Fixed assets and depreciation

Properties

Depreciation is provided on a straight line basis over the estimated useful lives of the properties after deducting the expected residual value at the end of that life. The following rates of property depreciation are applied:

Operating properties:

Freehold (buildings only)	-	2%
Long leasehold	-	2%

Leasehold properties with an unexpired term of greater than 50 years are classified as long leasehold properties.

In accordance with Statement of Standard Accounting Practice No. 19, depreciation is not provided on freehold or long leasehold investment properties. This is a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, the properties concerned are not held for consumption but for investment, and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is deemed necessary for the accounts to give a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and it cannot be separately identified or quantified.

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 only to the extent that it is probable that an actual liability will crystallise. No provision is made in respect of taxation that would arise on the disposal of the properties stated in the accounts at revalued figures where disposal is not intended in the foreseeable future.

Related party transactions

The company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard No. 8, Related Party Disclosures, not to disclose transactions with Cendant Corporation companies or interests of that Group which are related parties.

NCP South West & Wales Development Limited

Notes to the accounts *(continued)* for the 53 weeks ended 29 December 2000

2 Profit on ordinary activities before taxation

	53 Weeks ended 29 December 2000 £'000	52 Weeks ended 24 December 1999 £'000
Profit on ordinary activities before taxation is stated:		

After charging:

Depreciation on freehold property	25	26
Depreciation on leased assets	169	169
Operating lease rentals on property	71	63
	<u> </u>	<u> </u>

After crediting:

Rents receivable from property	(1,575)	(1,377)
Profit on disposal of property	-	(305)
	<u> </u>	<u> </u>

3 Auditors' remuneration

The auditors' remuneration is borne by National Car Parks Limited, a fellow Group company.

4 Directors' and employees' emoluments

None of the directors received any emoluments from the company during the current or preceding periods in respect of their services to the company.

There were no employees during the periods.

5 Tax on profit on ordinary activities

	53 Weeks ended 29 December 2000 £'000	52 Weeks ended 24 December 1999 £'000
Over-provision in previous periods	-	214
	<u> </u>	<u> </u>

No tax charge arises in the company for the current period due to the availability of group relief for nil consideration from other group companies.

NCP South West & Wales Development Limited

Notes to the accounts (continued) *for the 53 weeks ended 29 December 2000*

6 Tangible fixed assets

	Freehold property £'000	Long-term leasehold property £'000	Total £'000
Cost			
At 25 December 1999 and 29 December 2000	4,700	9,650	14,350
Accumulated depreciation			
At 25 December 1999	37	240	277
Charge for period	25	169	194
At 29 December 2000	62	409	471
Net book value			
At 29 December 2000	4,638	9,241	13,879
At 24 December 1999	4,663	9,410	14,073

Included within freehold and long leasehold property there is land with a cost of £3,654,500 and £5,566,080 respectively (1999 : £3,654,500 and £5,566,080).

7 Debtors

	29 December 2000 £'000	24 December 1999 £'000
Amounts owed by Group companies	2,349	2,251

NCP South West & Wales Development Limited

Notes to the accounts *(continued)* for the 53 weeks ended 29 December 2000

8 Creditors: amounts falling due within one year

	29 December 2000 £'000	24 December 1999 £'000
Amounts owed to Group companies	211	108
Proposed dividend	1,300	1,400
Corporation tax payable	-	-
	<u>1,511</u>	<u>1,508</u>

9 Called up share capital

	29 December 2000 £'000	24 December 1999 £'000
<i>Authorised, allotted, called up and fully paid:</i>		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

10 Share premium and reserves

	Share premium account £'000	Profit and loss account £'000	Total £'000
As at 24 December 1999	14,549	266	14,815
Retained loss for the period	-	(99)	(99)
	<u>14,549</u>	<u>167</u>	<u>14,716</u>
As of 29 December 2000			

NCP South West & Wales Development Limited

Notes to the accounts *(continued)*

for the 53 weeks ended 29 December 2000

11 Reconciliation of movements in shareholders' funds

	53 Weeks ended 29 December 2000 £'000	52 Weeks ended 24 December 1999 £'000
(Loss) / profit for the financial period	(99)	223
Opening shareholders' funds	14,816	14,593
Closing shareholders' funds	<u>14,717</u>	<u>14,816</u>

12 Contingent liability

Under a Group registration the company is jointly and severally liable for Value Added Tax due by other Group companies. At 29 December 2000 this contingent liability amounted to £3.2m (1999 : £4.7m).

13 Commitments

At 29 December 2000 the company had minimum annual commitments under operating leases of land and buildings only of:

	29 December 2000 £'000	24 December 1999 £'000
Operating leases which expire:		
Over five years	-	63

14 Ultimate parent company and controlling company

The ultimate parent and controlling company of NCP South West & Wales Development Limited is Cendant Corporation, which is incorporated in the United States of America. A copy of its financial statements can be obtained from 6 Sylvan Way, Parsippany, New Jersey, 07054, USA.

The first level at which consolidated accounts are prepared is Pointspec Limited which is registered in England and Wales. A copy of its financial statements can be obtained from 21 Bryanston Street, London, W1H 7AB.

The immediate parent company of NCP London South West & Wales Development Limited is Pointeuro II Limited, which is registered in England and Wales. A copy of its financial statements can be obtained from 21 Bryanston Street, London, W1H 7AB.