

NCP South West & Wales Development Limited

Report and financial statements

27 December 2002



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NCP South West & Wales Development Limited

Report and financial statements

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NCP South West & Wales Development Limited

Officers and professional advisers

Directors

TAM Hanson
RM Macnaughton
PJT Gilbert
PT Robinson

Secretary

TAM Hanson

Auditors

Deloitte & Touche
Chartered Accountants
180 The Strand
London WC2R 1BL

Solicitors

Hamblins
Roxburghe House
273-287 Regent Street
London W1B 2AD

Ashurst Morris Crisp
5 Appold Street
London EC2A 2HA

Registered office

21 Bryanston Street
London W1H 7AB

NCP South West & Wales Development Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 weeks ended 27 December 2002.

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. Subsequent to the period end the remaining properties held by the company were sold. As a consequence, it is anticipated that the company will cease trading.

Business review

On 22 May 2002 Pointspec Limited, which indirectly owned the Company at that date, was acquired from Pointspec II Limited, a company ultimately owned and controlled by Cendant Corporation, by Parking International Limited, a company owned by Bishopsgate Parking Limited, and ultimately owned and controlled by Royal Bank of Scotland.

On 20 September 2002 the ownership of Parking International Limited, and thereby the indirect ownership of the Company, was transferred from Bishopsgate Parking Limited to Primepanel Limited, a company owned and controlled by Parking International Holdings Limited, and ultimately owned and controlled by funds managed by Cinven Limited.

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

Subsequent events

Subsequent to the period end property assets with a net book value of £12.4 million at 27 December 2002 were sold for gross consideration of £28.7 million.

Proposed dividend

The directors do not recommend the payment of a dividend for the period (2001: £1,700 per ordinary share).

Directors and their interests

The directors who held office throughout the period (except as noted) were as follows:

TAM Hanson	
RM Macnaughton	
KW Gaskell	Resigned 22/05/02
JA Theophilus	Resigned 25/10/02
PJT Gilbert	Appointed 26/02/03
PT Robinson	Appointed 26/02/03

None of the directors held an interest in the share capital of the company. The directors' interests in the share capital of the ultimate parent company, Parking International Holdings Limited, are disclosed in that company's financial statements.

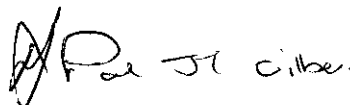
NCP South West & Wales Development Limited

Directors' report (continued)

Auditors

Elective resolutions to dispense with holding annual general meetings, the laying of accounts before the company in general meeting and the appointment of auditors annually are currently in force. The auditors, Deloitte & Touche, will therefore be deemed to have been reappointed at the end of the period of 28 days beginning with the day on which copies of this report, and accounts are sent to members unless a resolution is passed under Section 393 of the Companies Act 1985 to the effect that their appointment be brought to an end.

By order of the Board

A handwritten signature in dark ink, appearing to read 'PJT Gilbert', is written over a horizontal line.

PJT Gilbert

Director

22 May 2003

NCP South West & Wales Development Limited

Statement of directors' responsibilities

United Kingdom 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; 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 are also responsible for the company's system of internal control, for safeguard the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of NCP South West & Wales Development Limited

We have audited the financial statements of NCP South West & Wales Development Limited for the 52 weeks ended 27 December 2002 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, and the related notes 1 to 15. 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 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 with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 December 2001 and of its profit for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
London

27 May 2003

NCP South West & Wales Development Limited

Profit and loss account

for the 52 weeks ended 27 December 2002

		52 weeks ended 27 December 2002 £'000	52 weeks ended 28 December 2001 £'000
	<i>Note</i>		
Turnover	1	2,948	2,047
Cost of sales		(318)	(261)
Gross profit		<u>2,630</u>	<u>1,786</u>
Administrative expenses		(239)	(123)
Operating profit		<u>2,391</u>	<u>1,663</u>
Loss on disposals of fixed assets		(1,081)	-
Profit on ordinary activities before taxation	2	<u>1,310</u>	<u>1,663</u>
Tax on profit on ordinary activities	5	-	-
Profit on ordinary activities after taxation		<u>1,310</u>	<u>1,663</u>
Dividends – paid		-	(1,700)
Retained profit/(loss) for the financial period	10	<u><u>1,310</u></u>	<u><u>(37)</u></u>

There were no recognised gains or losses in either period other than the profit for each period. Accordingly, no statement of total recognised gains or losses is presented.

The results for the 52 weeks ended 27 December 2002 and for the 52 weeks ended 28 December 2001 reflect the continuing operations of the company.


NCP South West & Wales Development Limited

Balance sheet

27 December 2002

	Note	27 December 2002		28 December 2001	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	6		12,416		13,684
Current assets					
Debtors	7	3,574		3,030	
Creditors: amounts falling due within one year	8	-		(2,034)	
Net current assets			3,574		996
Total assets less current liabilities			15,990		14,680
Capital and reserves					
Called up share capital	9		1		1
Share premium account	10		14,549		14,549
Profit and loss account	10		1,440		130
Equity shareholders' funds	11		15,990		14,680

These financial statements were approved by the Board of Directors and signed on its behalf on 22 May 2003 by:

 PJT Gilbert.

PJT Gilbert
Director

Notes to the financial statements

for the 52 weeks ended 27 December 2002

1 Accounting policies

The following accounting policies have been applied consistently in both the current and preceding periods in dealing with items which are considered material in relation to the company's financial statements, with the exception of the adoption of FRS 19 as detailed below.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, under the historical cost accounting convention, and on the going concern basis.

Cash flow statement

Under the provision of Financial Reporting Standard No. (Revised) the company has not presented a cash flow statement, as its ultimate parent company, Parking International Holdings Limited, a company registered in England and Wales, prepares consolidated financial statements which include the results of the company and contain a cashflow statement.

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.

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 to the profit and loss account.

Notes to the financial statements (continued)
for the 52 weeks ended 27 December 2002

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.

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.

The company has adopted FRS19 - Deferred Tax during the period which has involved moving from a partial provision basis to a full provision basis for deferred tax. It has not been necessary to restate the prior year comparative, as the change in accounting policy had no effect on the prior year figures. Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

2 Profit on ordinary activities before taxation

	52 weeks ended 27 December 2002 £'000	52 weeks ended 28 December 2001 £'000
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Profit on ordinary activities before taxation is stated:

After charging:

Depreciation on freehold property	25	26
Depreciation on leased assets	162	169
Operating lease rentals on property	131	63
	<u>218</u>	<u>258</u>

After crediting:

Rents receivable from property	(2,948)	(2,047)
	<u>(2,948)</u>	<u>(2,047)</u>

3 Auditors' remuneration

The auditors' remuneration for 2002 and 2001 was borne by National Car Parks Limited, a fellow Group company.

4 Directors' and employees' emoluments

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

There were no employees during either period.

NCP South West & Wales Development Limited

Notes to the financial statements (continued) for the 52 weeks ended 27 December 2002

5 Tax on profit on ordinary activities

	52 Weeks ended 27 December 2002 £'000	52 Weeks ended 28 December 2001 £'000
a) <i>Analysis of tax charge on ordinary activities</i>		
United Kingdom corporation tax at 30% (2001: 30%) based on the profit for the period	773	557
Group relief	(773)	(557)
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
b) <i>Factors affecting tax charge for the current period</i>		
The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK:30% (2001: 30%). The differences are explained below:		
Profit on ordinary activities before tax	1,310	1,663
	<u><u>1,310</u></u>	<u><u>1,663</u></u>
Tax at 30% thereon:	393	499
Effects of:		
Expenses not deductible for tax purposes	56	-
Group relief	(773)	(557)
Depreciation on non-qualifying assets	-	58
Loss on disposal of fixed assets	324	-
	<u><u>-</u></u>	<u><u>-</u></u>
Current tax charge for period	-	-
	<u><u>-</u></u>	<u><u>-</u></u>

NCP South West & Wales Development Limited

Notes to the financial statements (continued) for the 52 weeks ended 27 December 2002

6 Tangible fixed assets

	Freehold property	Long leasehold property	Total
	£'000	£'000	£'000
Cost			
At 29 December 2001	4,700	9,650	14,350
Disposals	-	(1,150)	(1,150)
	<hr/>	<hr/>	<hr/>
At 27 December 2002	4,700	8,500	13,200
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated depreciation			
At 27 December 2001	88	578	666
Charge for period	25	162	187
Disposals	-	(69)	(69)
	<hr/>	<hr/>	<hr/>
At 27 December 2002	113	671	784
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 27 December 2002	4,587	7,829	12,416
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 28 December 2001	4,612	9,072	13,684
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included within freehold and long leasehold property is land with a cost of £3,654,500 and £5,566,080 respectively (2001: of £3,654,500 and £5,566,080).

7 Debtors

	27 December 2002 £'000	28 December 2001 £'000
Amounts owed by Group companies	3,574	3,030
	<hr/> <hr/>	<hr/> <hr/>

NCP South West & Wales Development Limited

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

8 Creditors: amounts falling due within one year

	27 December 2002 £'000	28 December 2001 £'000
Amounts owed to Group companies	-	334
Proposed dividend	-	1,700
	<u>-</u>	<u>2,034</u>
	<u><u>-</u></u>	<u><u>2,034</u></u>

9 Called up share capital

	27 December 2002 £'000	28 December 2001 £'000
<i>Authorised, allotted, called up and fully paid:</i>		
1,000 ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

10 Share premium and reserves

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 29 December 2001	14,549	130	14,679
Retained profit for the period	-	1,310	1,310
	<u>14,549</u>	<u>1,440</u>	<u>15,989</u>
At 27 December 2002	<u><u>14,549</u></u>	<u><u>1,440</u></u>	<u><u>15,989</u></u>

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

11 Reconciliation of movements in shareholders' funds

	52 weeks ended 27 December 2002 £'000	52 weeks ended 28 December 2001 £'000
Profit/(loss) for the financial period	1,310	(37)
Opening shareholders' funds	14,680	14,717
	<hr/>	<hr/>
Closing shareholders' funds	15,990	14,680
	<hr/> <hr/>	<hr/> <hr/>

12 Contingent liability

Under a Group registration the company is jointly and severally liable for Value Added Tax due by other Group companies. At 27 December 2002 this contingent liability amounted to £2.6 million (2001: £3.4 million).

13 Commitments

At 27 December 2002 the company had minimum annual commitments under operating leases for land and buildings as follows:

	27 December 2002 £'000	28 December 2001 £'000
Operating leases which expire:		
Less than one year	17	-
	<hr/> <hr/>	<hr/> <hr/>

On 10 September 2002 the company acceded to a Debenture in favour of The Royal Bank of Scotland Plc (as trustee), in relation to an agreement to provide debt facilities to the Group, as disclosed in the financial statements of the company's ultimate parent, Parking International Holdings Limited. It also entered into full cross guarantees in relation to this agreement.

The company has entered into a Tax Deed Guarantee whereby it has guaranteed all the obligations for which Primepanel Limited, a fellow Group company, is liable under a Tax Deed entered into on or around 20 September 2002 between Primepanel Limited and Bishopsgate Parking Limited, a subsidiary of The Royal Bank of Scotland plc.

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

14 Related party transactions

As a 100% owned subsidiary, advantage has been taken of the exemption granted by paragraph 3(c) of Financial Reporting Standard No. 8, Related Party Transactions, not to disclose transactions with other Group entities.

15 Ultimate parent company and controlling party

The ultimate parent company is Parking International Holdings Limited, which is incorporated in Great Britain. Parking International Holdings Limited is ultimately owned and controlled by funds managed by Cinven Limited, which own shares representing 87% of the issued share capital. Cinven Limited is incorporated in Great Britain.

The immediate parent company is National Car Parks Group Limited, a company incorporated in Great Britain. The parent of the largest and the smallest group for which consolidated financial statements are prepared is Parking International Holdings Limited incorporated in Great Britain. Copies of the group financial statements are available from 21 Bryanston Street, London, W1H 7AB.