

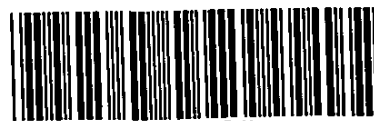
Company number 3577174

NCP South West & Wales Development Limited

Report and financial statements

For the period from 27 March 2010 to 25 March 2011

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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

J L Cooper
J P Scott

COMPANY SECRETARY

A Campbell

REGISTERED OFFICE

6th Floor Offices
Centre Tower
Whitgift Centre
Croydon
Surrey CR0 1LP

SOLICITORS

Travers Smith
10 Snow Hill, London
EC1A 2AL

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

INDEPENDENT AUDITORS

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

NCP South West & Wales Development Limited

DIRECTORS' REPORT

The directors present their report and the audited financial statements for NCP South West & Wales Development Limited ("the Company") for the period from 27 March 2010 to 25 March 2011

PRINCIPAL ACTIVITIES

The Company did not trade during the current period. The directors do not envisage that the Company will trade in the forthcoming period.

BUSINESS REVIEW

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

As at 25 March 2011, the Company had net assets of £23.8 million (26 March 2010: £22.0 million).

GOING CONCERN

The Company is a guarantor to Group borrowings as disclosed in note 11. The Group comprises MEIF II CP Holdings 1 Limited and its subsidiaries.

A full and detailed assessment of going concern has been carried out by the directors in the period.

As part of this process, detailed Group cash flow forecasts have been produced for a period of 18 months from the date of this report, and a number of downside business case scenarios have been used as sensitivities. Based on these forecasts, the Group is dependent upon a future cash injection being made available by the Group's ultimate parent, Macquarie European Infrastructure Fund II. This is necessary to cure the financial covenant default under the Group's senior debt facilities, which is currently forecast to occur in respect of the March 2012 testing date, to ensure continued compliance with such financial covenants, and to ensure adequate liquidity for the Group to continue as a going concern.

Macquarie European Infrastructure Fund II has confirmed to the directors of MEIF II CP Holdings 1 Limited that it will consider providing a further cash injection to the Group in due course. In determining whether to provide such a cash injection, Macquarie European Infrastructure Fund II will take into account the return it expects from such investment, which will be dependent on trading conditions at the time and discussions with landlords and lenders to the Group, resulting in the Group being placed on a sustainable capital structure.

Nevertheless, after making enquiries and considering the uncertainties described above, the directors have concluded that preparing the financial statements on a going concern basis is appropriate.

DIRECTORS

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

A D Potter	Resigned 23 November 2010
J P Walbridge	Resigned 4 April 2011
J L Cooper	Appointed 23 November 2010
J P Scott	

DIRECTORS' INDEMNITIES

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

NCP South West & Wales Development Limited

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

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 section 418 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
16 September 2011

NCP South West & Wales Development Limited

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 period ended 25 March 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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). 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.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 25 March 2011 and of its profit for 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.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the Basis of Preparation note to the financial statements concerning the Company's ability to continue as a going concern. The Company acts as a guarantor in respect of Group borrowings. In the Directors' view, there is likely to be a breach of Group banking covenants within the next 12 months and the Group may require additional funds to ensure sufficient liquidity in that period. The ultimate shareholder has indicated it would be supportive in providing the required capital injection to remedy any such breach, ensure continued compliance with the financial covenants and provide adequate liquidity for the Group. However, this support is dependent on trading conditions at the time, progress on negotiations with landlords and lenders designed to place the Group on a sustainable capital structure and the shareholder obtaining its own Investment Committee approval. These disclosures indicate the existence of material uncertainties which may cast doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

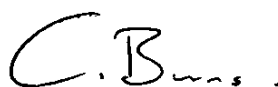
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NCP SOUTH WEST & WALES DEVELOPMENT LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- 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, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the directors' report in accordance with the small company regime



Christopher Burns (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 September 2011

NCP South West & Wales Development Limited

PROFIT AND LOSS ACCOUNT

For the period from 27 March 2010 to 25 March 2011

		27 March 2010 to 25 March 2011 £'000	28 March 2009 to 26 March 2010 £'000
	Note		
Interest receivable and similar income	2	1,796	1,634
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	1,796	1,634
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL PERIOD	8	1,796	1,634

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

All of the activities of the Company are continuing

NCP South West & Wales Development Limited**BALANCE SHEET
As at 25 March 2011****Company number 3577174**

	Note	25 March 2011 £'000	26 March 2010 £'000
CURRENT ASSETS			
Debtors	6	23,810	22,014
NET ASSETS		<u>23,810</u>	<u>22,014</u>
CAPITAL AND RESERVES			
Called up share capital	7	1	1
Share premium account	8	14,549	14,549
Profit and loss account	8	9,260	7,464
TOTAL SHAREHOLDERS' FUNDS	9	<u>23,810</u>	<u>22,014</u>

The financial statements on pages 6 to 11 were approved by the board of directors on 16 September 2011 and signed on its behalf by



J P Scott
Director

NCP South West & Wales Development Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period from 27 March 2010 to 25 March 2011

1 ACCOUNTING POLICIES

Basis of accounting

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. 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 principal accounting policies are set out below.

Basis of preparation - going concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its liabilities as they fall due for the foreseeable future.

The Company acts as a guarantor in respect of Group borrowings as disclosed in note 11. At 25 March 2011, the Group had external bank borrowings of £467.6 million which are subject to compliance with agreed financial covenants. Non-compliance with any of the covenants associated with the borrowings would result in the shareholder having the option to inject additional capital into the business, sufficient to remedy any covenant breach.

As a result of the ongoing difficult economic trading environment, management expects a breach of covenant arising within the next 12 months. In addition, the Group may require additional funds to ensure sufficient liquidity in that period. The shareholder has indicated that to prevent or rectify a breach of covenant or to ensure sufficient liquidity, they would be supportive in considering the further capital injection required to ensure continued compliance with the financial covenants or to ensure sufficient liquidity. In determining whether to provide such a cash injection, Macquarie European Infrastructure Fund II will take into account the return it expects from such investment, which will be dependent on trading conditions at the time and progress on discussions with landlords and lenders to the Group to place the Group on to a sustainable capital structure.

The directors have therefore concluded that, although the shareholder is supportive, because of the conditions noted above and because any capital injection would be subject to the shareholder obtaining its own Investment Committee approval, there are material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

Under the provision of Financial Reporting Standard 1 'Cash flow statements' (revised 1996), the Company has not presented a cash flow statement, as its intermediate parent company, MEIF II CP Holdings 1 Limited, a company registered in England and Wales, prepares publicly available consolidated financial statements which include the results of the Company and contain a cash flow statement.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	27 March 2010 to 25 March 2011 £'000	28 March 2009 to 26 March 2010 £'000
Profit on ordinary activities before taxation is stated		
After crediting:		
Interest receivable from group undertakings	1,796	1,634

3 AUDITORS' REMUNERATION

The auditors' remuneration for the audit of the Company's financial statements of £2,000 (period ended 26 March 2010 £2,000) was borne by National Car Parks Limited, a fellow group company.

NCP South West & Wales Development Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period from 27 March 2010 to 25 March 2011

4 DIRECTORS' AND EMPLOYEES' EMOLUMENTS

None of the directors received any emoluments during the current and preceding periods in respect of their services to the Company

There were no employees during either period

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge for the period was £nil (period ended 26 March 2010 £nil)

The tax assessed for the period is different than that resulting from applying the standard rate of corporation tax in the UK of 28% (period ended 26 March 2010 28%) The differences are explained below

	27 March 2010 to 25 March 2011 £'000	28 March 2009 to 26 March 2010 £'000
Profit on ordinary activities before taxation	1,796	1,634
Tax at 28% (period ended 26 March 2010 28%)	(503)	(458)
Effects of Group relief not paid for	503	458
Current tax for the period	-	-

6 DEBTORS

	27 March 2010 to 25 March 2011 £'000	28 March 2009 to 26 March 2010 £'000
Amounts owed by group undertakings	23,810	22,014

Amounts owed by group undertakings include £20,023,000 (2010 £18,228,000) which are interest bearing at rates between 6.5% and 9.9%, with the other amounts non-interest bearing. All amounts are unsecured and repayable on demand.

7. CALLED UP SHARE CAPITAL

	25 March 2011 £'000	26 March 2010 £'000
Authorised, allotted and fully paid. 1,000 (2010 1,000) ordinary shares of £1 each	1	1

8 RESERVES

	Share premium account £'000	Profit and loss account £'000
At 27 March 2010	14,549	7,464
Profit for the financial period	-	1,796
At 25 March 2011	14,549	9,260

NCP South West & Wales Development Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period from 27 March 2010 to 25 March 2011

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	27 March 2010 to 25 March 2011 £'000	28 March 2009 to 26 March 2010 £'000
Profit for the financial period	1,796	1,634
Opening shareholders' funds	22,014	20,380
Closing shareholders' funds	23,810	22,014

10. CONTINGENT LIABILITIES

Under a group registration the Company is jointly and severally liable for value added tax due by other group companies. At 25 March 2011, this contingent liability amounted to £2.4 million (26 March 2010: £1.6 million). Contingent guarantees are disclosed in note 11.

11. FINANCIAL COMMITMENTS

Financial guarantees

Where the Company enters into arrangements to guarantee the indebtedness of other companies within its 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.

Facilities agreement and related debenture and cross guarantees

On 8 March 2007, the £385 million senior facilities agreement with Royal Bank of Canada and £44 million junior facilities agreement were replaced with a new £500 million senior facilities agreement with Royal Bank of Canada. The facility was entered into by MEIF II CP Holdings 3 Limited, which on 19 March 2007 became a parent company of the Company. The facility allows the participating group to senior debt facility of £425 million, working capital facility of £25 million and capex facility of £50 million.

On 27 July 2007 the Company entered as a guarantor to the new senior facilities agreement.

Tax deed guarantees

In 2002, Primepanel Limited, a fellow group company, entered into a tax deed with a third party, Bishopsgate Parking Limited ("Bishopsgate"). The Company guaranteed Primepanel Limited's obligations under this deed.

Lease and remedial works guarantees

On 8 September 2003, National Car Parks Limited ("NCPL"), a fellow group company, entered into two renewal lease agreements in favour of Bishopsgate and Bishopsgate Parking (No 2) Limited ("Bishopsgate No 2") in respect of leases over various premises. The Company guaranteed NCPL's obligations under these agreements. On 23 September 2003, the Company entered into a lease guarantee under which it is liable for the payment of the rents and other obligations of NCPL as tenant under various leases.

On 17 November 2003, NCPL entered into a charge over accounts and deposit agreement in favour of Bishopsgate No 2, and a deed of covenant in respect of remedial works in favour of Bishopsgate No 2. This deed was guaranteed by a number of group companies.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under paragraph 3(c) of Financial Reporting Standard 8 'Related party transactions' 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.

NCP South West & Wales Development Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period from 27 March 2010 to 25 March 2011

13 ULTIMATE PARENT AND CONTROLLING PARTY

The Company's ultimate parent and controlling party is Macquarie European Infrastructure Fund II, a limited partnership incorporated in Great Britain, registered office Cannithia House, 9-12 The Grange, St Peter Port, Guernsey, GY1 4BF. 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 Great Britain. Copies of the consolidated financial statements of MEIF II CP Holdings 1 Limited are available from Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD.

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