

NCP London Central City Limited

Directors' report and financial statements

24 December 1999



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Directors' report and financial statements

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Officers and professional advisers

Directors

K W Gaskell
J A Theophilus
T A M Hanson
R M Macnaughton

Secretary

T A M 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

3577465

NCP London Central City Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 weeks ended 24 December 1999.

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 principle 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 director is £500 (1998 : £200) per ordinary share.

Directors and directors' interests

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

	Appointed	Resigned
RD Mackenzie	15/6/98	25/1/99
C James	15/6/98	23/8/99
KW Gaskell	25/1/99	
JA Theophilus	5/2/99	
TAM Hanson	23/8/99	
R M Macnaughton	11/10/99	

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

Auditors

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



TAM Hanson
Secretary

21 Bryanston Street
London W1H 7AB

23 October 2000

NCP London Central City Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year 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;
- 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 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.

Report of the auditors to the members of NCP London Central City Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on pages 7 and 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 24 December 1999 and of its profit for the 52 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

29 October 2000

NCP London Central City Limited

Profit and loss account

for the 52 weeks ended 24 December 1999

		52 Weeks ended 24 December 1999	Period from 8 June 1998 to 25 December 1998
	Note	£'000	£'000
Turnover	1	2,265	1,437
Cost of sales		(1,602)	(1,019)
Gross profit		663	418
Administrative expenses		(90)	(33)
Operating profit on ordinary activities before taxation	2	573	385
Tax on profit on ordinary activities	5	157	(163)
Profit on ordinary activities after taxation		730	222
Dividends - proposed		(500)	(200)
Retained profit for the financial period	10	230	22

There were no recognised gains or losses other than the profit for the periods.

The results for the period ended 24 December 1999 and the period from 8 June 1998 to 25 December 1998 reflect the continuing operations of the company.

The notes on pages 7 to 11 form part of these financial statements.

NCP London Central City Limited

Balance sheet

at 24 December 1999

	Note	24 December 1999		25 December 1998	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	1,6		16,246		16,583
Current assets					
Debtors	7	2,104		1,310	
Creditors: amounts falling due within one year	8	(623)		(396)	
Net current assets			1,481		914
Total assets less current liabilities			17,727		17,497
Capital and reserves					
Called up share capital	9		1		1
Share premium account	10		17,474		17,474
Profit and loss account	10		252		22
Equity shareholders' funds	11		17,727		17,497

These financial statements were approved by the Board of Directors and signed on its behalf on
23 October 2000 by:



R M Macnaughton
 Director

Notes to the accounts

for the 52 weeks ended 24 December 1999

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 London Central City Limited holds the beneficial ownership. Although legal title is held by fellow Group companies, the risks and rewards of ownership are held by NCP London Central City 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 or released to the profit and loss account.

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:

Long leasehold	-	2%
Short leasehold	-	Over term of the lease

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

Notes to the accounts (continued)
for the 52 Weeks ended 24 December 1999

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 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.

Cash flow statement

Under Financial Reporting Standard no.1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

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.

2 Profit on ordinary activities before taxation

	52 Weeks ended 24 December 1999	Period 8 June 1998 to 25 December 1998
Profit on ordinary activities before taxation is stated:	£'000	£'000
<i>after charging:</i>		
Depreciation on leased assets	337	142
Operating lease rentals on property	1,266	504
	<hr/>	<hr/>
<i>after crediting:</i>		
Rents receivable from property	(2,265)	(1,437)
	<hr/>	<hr/>

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 and preceding periods in respect of services to the company.

There were no employees during the period.

NCP London Central City Limited

Notes to the accounts (continued) for the 52 weeks ended 24 December 1999

5 Tax on profit on ordinary activities

	52 Weeks ended 24 December 1999 £'000	Period from 8 June 1998 to 25 December 1998 £'000
UK corporation tax at 30% (1998 : 31%)	-	(163)
Over provision in previous periods	157	-
	<u>157</u>	<u>(163)</u>

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

6 Tangible fixed assets

	Long-term leasehold property £'000	Short-term leasehold property £'000	Total £'000
Cost			
At 26 December 1998	15,310	1,415	16,725
At 24 December 1999	<u>15,310</u>	<u>1,415</u>	<u>16,725</u>
Accumulated depreciation			
At 26 December 1998	85	57	142
Charge for period	202	135	337
At 24 December 1999	<u>287</u>	<u>192</u>	<u>479</u>
Net book value			
At 24 December 1999	<u>15,023</u>	<u>1,223</u>	<u>16,246</u>
At 25 December 1998	<u>15,225</u>	<u>1,358</u>	<u>16,583</u>

Included within long leasehold property is land with a cost of £4,190,000 (1998 : £4,190,000).

NCP London Central City Limited

Notes to the accounts *(continued)* for the 52 weeks ended 24 December 1999

7 Debtors

	24 December 1999 £'000	25 December 1998 £'000
<i>Due within one year:</i>		
Amounts owed by Group companies	2,104	1,310
	<u>2,104</u>	<u>1,310</u>

8 Creditors: amounts falling due within one year

	24 December 1999 £'000	25 December 1998 £'000
Amounts owed to Group companies	123	33
Proposed dividend	500	200
Corporation tax payable	-	163
	<u>623</u>	<u>396</u>

9 Called up share capital

	24 December 1999 £'000	25 December 1998 £'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
As at 26 December 1998	17,474	22	17,496
Retained profit for the period	-	230	230
	<u>17,474</u>	<u>252</u>	<u>17,726</u>
As at 24 December 1999	17,474	252	17,726

NCP London Central City Limited

Notes to the accounts (continued) for the 52 weeks ended 24 December 1999

11 Reconciliation of movements in shareholders' funds

	52 Weeks ended 24 December 1999 £'000	Period from 8 June 1998 to 25 December 1998 £'000
Profit for the financial period	230	22
Capital subscribed	-	17,475
Net addition to shareholders' funds	230	17,497
Opening shareholders' funds	17,497	-
Closing shareholders' funds	17,727	17,497

12 Contingent liability

Under a Group registration the company is jointly and severally liable for Value Added Tax due by other Group companies. At 24 December 1999 this contingent liability amounted to £4.7m (1998 : £3.5m).

13 Commitments

At 24 December 1999 the company had minimum annual commitments under operating leases of land and buildings only of:

	24 December 1999 £'000	25 December 1998 £'000
Operating leases which expire:		
Between two and five years	88	-
Over five years	1,081	1,192

14 Ultimate parent company and controlling company

The ultimate parent and controlling company of NCP London Central City 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 London Central City 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.