

Company registration number 3577582

NCP South East & East Anglia Limited

Report and financial statements

27 December 2002



NCP South East & East Anglia Limited

Report and financial statements

Contents

Page

Officers and professional advisers

1

Directors' report

2

Statement of directors' responsibilities

4

Independent auditors' report

5

Profit and loss account

6

Balance sheet

7

Notes to the financial statements

8

NCP South East & East Anglia 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

Hamkins
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 East & East Anglia 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. The directors do not envisage any change in the principal activities during the forthcoming period.

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.

Subsequently the company sold a number of properties to Bishopsgate Parking Limited as disclosed in Note 6. The consideration for the transfer was the assignment by Bishopsgate Parking Limited of an appropriate part of a receivable which was due from Parking International to Bishopsgate Parking Limited.

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 £4.6 million at 27 December 2002 were sold for gross consideration of £10.3 million.

Proposed dividend

The directors do not recommend the payment of a dividend for the period (2001: £2,300 per ordinary share).

NCP South East & East Anglia Limited

Directors' report (continued)

Directors and their interests

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

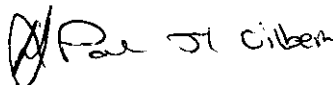
TAM Hanson	
RM Macnaughton	
KW Gaskell	Resigned 22/05/02
JA Theophilus	Resigned 25/10/02
PJT Gilbert	Appointed 26/02/03
PT Robinson	Appointed 26/02/03

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.

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



PJT Gilbert
Director
22 May 2003

NCP South East & East Anglia 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 safeguarding 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 East & East Anglia Limited

We have audited the financial statements of NCP South East & East Anglia Limited for the 52 weeks ended 27 December 2002 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 16. 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.

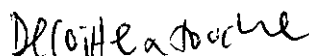
Basis of audit opinion

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 27 December 2002 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 East & East Anglia Limited

Profit and loss account

for the 52 weeks ended 27 December 2002

		52 weeks ended 27 December 2002	52 weeks ended 28 December 2001
	<i>Note</i>	£'000	£'000
Turnover	1	2,251	3,359
Cost of sales		(963)	(865)
Gross profit		<u>1,288</u>	<u>2,494</u>
Administrative expenses		(100)	(188)
Operating profit		<u>1,188</u>	<u>2,306</u>
Profit on disposal of fixed assets		18,569	-
Interest receivable and similar income	2	961	-
Profit on ordinary activities before taxation	2	<u>20,718</u>	<u>2,306</u>
Tax on profit on ordinary activities	5	-	-
Profit on ordinary activities after taxation		<u>20,718</u>	<u>2,306</u>
Dividends paid		-	(2,300)
Retained profit for the financial period	10	<u><u>20,718</u></u>	<u><u>6</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 and losses is presented.

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

NCP South East & East Anglia Limited

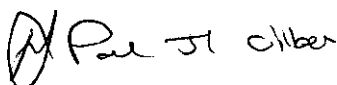
Balance sheet

27 December 2002

	<i>Note</i>	27 December 2002 £'000	28 December 2001 £'000
Fixed assets			
Tangible assets	6	4,977	20,733
Current assets			
Debtors	7	38,371	4,098
Creditors: amounts falling due within one year	8	(603)	(2,804)
Net current assets		<u>37,768</u>	<u>1,294</u>
Total assets less current liabilities		<u><u>42,745</u></u>	<u><u>22,027</u></u>
Capital and reserves			
Called up share capital	9	1	1
Share premium account	10	21,824	21,824
Profit and loss account	10	20,920	202
Equity shareholders' funds	11	<u><u>42,745</u></u>	<u><u>22,027</u></u>

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

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 both in 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. 1 (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 cash flow 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 East & East Anglia 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 East & East Anglia 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.

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%
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.

NCP South East & East Anglia Limited

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

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.

The company has adopted FRS19 - Deferred Tax during the period which has involved moving from a partial provision basis for deferred tax to a full provision basis. It has not been necessary to restate the prior year comparatives, 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.

2 Profit on ordinary activities before taxation

	52 weeks ended 27 December 2002 £'000	52 weeks ended 28 December 2001 £'000
Profit on ordinary activities before taxation is stated:		
<i>after charging:</i>		
Impairment	115	-
Depreciation on freehold property	11	19
Depreciation on leased assets	226	300
Operating lease rentals on property	610	543
	<hr/>	<hr/>
<i>after crediting:</i>		
Rents receivable from property	(2,251)	(3,359)
Interest receivable from Group company	(961)	-
	<hr/>	<hr/>

3 Auditors' remuneration

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

NCP South East & East Anglia Limited

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

4 Directors' and employees' emoluments

None of the directors received any emoluments from the company 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

	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	750	787
Group relief	(750)	(787)
	<u>-</u>	<u>-</u>

b) *Factors affecting tax charge for the current period*

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	20,718	2,306
Tax at 30% thereon:	<u>6,215</u>	<u>693</u>
Effects of:		
Expenses not deductible for tax purposes	106	96
Group relief	(750)	(787)
Profit on disposals of fixed assets	(5,571)	-
Current tax charge for period	<u>-</u>	<u>-</u>

No tax charge arises on the sale of properties to fellow Group companies as these sales are no gain/no loss transfers for tax purposes.

NCP South East & East Anglia Limited

Notes to the financial statements (continued)

for the 52 weeks ended 27 December 2002

5. Tax on profit on ordinary activities (continued)

	52 Weeks ended 27 December 2002 £'000	52 Weeks ended 28 December 2001 £'000
c) <i>Analysis of Deferred Tax Asset</i>		
Capital gains rolled over - unprovided	284	1,284

6 Tangible fixed assets

	Freehold property £'000	Long leasehold property £'000	Short leasehold property £'000	Total £'000
<i>Cost</i>				
At 29 December 2001	4,975	15,970	880	21,825
Disposals	(4,975)	(11,200)	-	(16,175)
At 27 December 2002	-	4,770	880	5,650
<i>Accumulated depreciation</i>				
At 29 December 2001	65	859	168	1,092
Charge for period	11	177	49	237
Impairment	-	115	-	115
Disposals	(76)	(695)	-	(771)
At 27 December 2002	-	456	217	673
<i>Net book value</i>				
At 27 December 2002	-	4,314	663	4,977
At 28 December 2001	4,910	15,111	712	20,733

Included within freehold and long leasehold property is land with a cost of £nil and £1,729,080 respectively (2001: £4,454,800 and £7,566,480).

During the period the company sold properties with a book value of £15.5 million to Bishopsgate Parking Limited, a Group company controlled by Royal Bank of Scotland, a related party. Profit arising on disposal amounted to £18.6 million.

NCP South East & East Anglia Limited

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

7	Debtors	27 December 2002 £'000	28 December 2001 £'000	
	Amounts owed by Group companies	38,371	4,098	
8	Creditors: amounts falling due within one year	27 December 2002 £'000	28 December 2001 £'000	
	Amounts owed to Group companies	603	504	
	Proposed dividend	-	2,300	
		603	2,804	
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	
10	Share premium and reserves	Share premium account £'000	Profit and loss account £'000	Total £'000
	At 29 December 2001	21,824	202	22,026
	Retained profit for the period	-	20,718	20,718
	At 27 December 2002	21,824	20,920	42,744

NCP South East & East Anglia Limited

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 for the financial period	20,718	6
Opening shareholders' funds	22,027	22,021
Closing shareholders' funds	<u>42,745</u>	<u>22,027</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 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 of land and buildings of:

	27 December 2002 £'000	28 December 2001 £'000
Operating leases which expire:		
After five years	<u>224</u>	<u>232</u>

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.

Other than as disclosed in the note 6, there were no other related party transactions in the period.

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, a company incorporated in Great Britain. Copies of the Group financial statements are available from 21 Bryanston Street, London, W1H 7AB.

16. Subsequent events

Subsequent to the period end property assets with a net book value of £4.6 million at 27 December 2002 were sold for gross consideration of £10.3 million.