

Company Registration No. 3577610

NCP South West & Wales Limited

Report and Financial Statements

52 weeks ended 24 December 2004



NCP South West & Wales Limited

Report and financial statements 2004

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

NCP South West & Wales Limited

Report and financial statements 2004

Officers and professional advisers

Directors

T A M Hanson
R M Macnaughton
P J T Gilbert
P T Robinson

Secretary

T A M Hanson

Registered office

21 Bryanston Street
London
W1H 7AB

Solicitors

Ashurst
5 Appold Street
London
E2A 2HA

Hamlin's
Roxburghe House
273-287 Regent Street
London
W1B 2AD

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

NCP South West & Wales Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 weeks ended 24 December 2004.

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

During the period, property assets with a net book value of £nil million (2003: £19 million) were sold for a gross consideration of £0.1 million (2003: £38.6 million).

The trading results are shown in the profit and loss account on page 5.

Proposed dividend

The directors do not recommend the payment of a dividend for the period (2003: £nil).

Directors and their interests

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

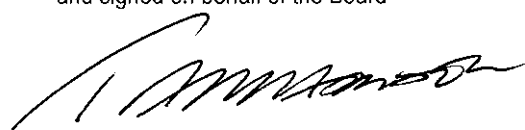
T A M Hanson
R M Macnaughton
P J T Gilbert
P T Robinson

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

Auditors

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of Section 386(2) of the Companies Act 1985.

Approved by the Board of Directors
and signed on behalf of the Board



T A M Hanson

Secretary

27 April 2005

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year and of the profit or loss of the Company 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 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 West & Wales Limited

We have audited the financial statements of NCP South West & Wales Limited for the 52 weeks ended 24 December 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 24 December 2004 and of its profit for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte + Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

29 April 2005

NCP South West & Wales Limited

Profit and loss account 52 weeks ended 24 December 2004

	Note	52 weeks ended 24 December 2004 £'000	52 weeks ended 26 December 2003 £'000
Turnover	1	263	1,007
Cost of sales		(283)	(806)
Gross (loss)/profit and operating (loss)/profit		(20)	201
Profit on disposal of fixed assets	6	125	19,623
Interest receivable and similar income	2	6,194	5,465
Profit on ordinary activities before taxation	2	6,299	25,289
Tax charge on profit on ordinary activities	5	-	-
Profit on ordinary activities after taxation and retained profit for the financial period	9	6,299	25,289

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 24 December 2004 and for the 52 weeks ended 26 December 2003 reflect the continuing operations of the Company.

NCP South West & Wales Limited

Balance sheet 24 December 2004

	Note	24 December 2004 £'000	26 December 2003 £'000
Fixed assets			
Tangible assets	6	110	131
Current assets			
Debtors	7	86,067	79,747
Net current assets		86,067	79,747
Total assets less current liabilities and net assets		86,177	79,878
Capital and reserves			
Called up share capital	8	1	1
Share premium account	9	37,159	37,159
Profit and loss account	9	49,017	42,718
Total equity shareholder's funds	10	86,177	79,878

These financial statements were approved by the Board of Directors on 27 April 2005.

Signed on behalf of the Board of Directors

P J T Gilbert
Director



Notes to the financial statements 52 weeks ended 24 December 2004

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 statement.

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting convention.

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 and from a single class of business.

Tangible fixed assets

Tangible fixed assets comprise properties in which NCP South West & Wales 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 Limited holds the beneficial ownership.

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 operating 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:

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.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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
52 weeks ended 24 December 2004**

2. Profit on ordinary activities before taxation

	52 weeks ended 24 December 2004 £'000	52 weeks ended 26 December 2003 £'000
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Profit on ordinary activities before taxation is stated:

After charging:

Deprecation on freehold property	-	3
Depreciation on leasehold property	21	70
Operating lease rentals on property	262	461
Impairment of leasehold properties	-	272

After crediting:

Rents receivable from property	263	1,007
Interest receivable from Group Companies	6,194	5,465

3. Auditors' remuneration

The auditors' remuneration for 2004 and 2003 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 period in respect of their services to the Company.

There were no employees during either period.

5. Tax charge on profit on ordinary activities

(a) Analysis of tax charge on profit on ordinary activities

	52 weeks ended 24 December 2004 £'000	52 weeks ended 26 December 2003 £'000
United Kingdom corporation tax at 30% (2003: 30%) based on the profit for the period	-	-
Tax charge on profit on ordinary activities	-	-

Notes to the financial statements
52 weeks ended 24 December 2004

5. Tax charge on profit on ordinary activities (continued)

(b) Factors affecting tax charge for the current period

The tax assessed for the period is different than that resulting from applying the standard rate of corporation tax in the UK: 30% (2003: 30%). The differences are explained below:

	52 weeks ended 24 December 2004 £'000	52 weeks ended 26 December 2003 £'000
Profit on ordinary activities before tax	6,299	25,289
Tax at 30% (2003: 30%) thereon:	1,890	7,587
Effects of:		
Group relief not paid for	(1,859)	(1,804)
Depreciation on non-qualifying assets	7	22
Impairment	-	82
Profit on disposal of fixed assets	(38)	(5,887)
Current tax charge for period	-	-

No tax charges arise on the sale of properties to fellow Group Companies as these sales are no gain/no loss transfers for tax purposes.

6. Tangible fixed assets

	Short leasehold property £'000
Cost	
At 27 December 2003	735
Disposals	(480)
At 24 December 2004	255
Accumulated depreciation	
At 27 December 2003	604
Charge for the period	21
Disposals	(480)
At 24 December 2004	145
Net book value	
At 24 December 2004	110
At 26 December 2003	131

During the period, the Company sold properties with a book value of £nil million (2003: £19 million) to fellow Group Companies. Profit arising on disposal amounted to £0.1 million (2003: £19.6 million).

**Notes to the financial statements
52 weeks ended 24 December 2004**

7. Debtors

	24 December 2004 £'000	26 December 2003 £'000
Amounts owed by Group Companies	86,067	79,747

Amounts owed by Group companies include £81,300,859 (2003: £75,107,187) which are interest bearing.

8. Called up share capital

	24 December 2004 £'000	26 December 2003 £'000
Authorised, allotted, called up and fully paid: 1,000 ordinary shares of £1 each	1	1

9. Reserves

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 27 December 2003	37,159	42,718	79,877
Retained profit for the period	-	6,299	6,299
At 24 December 2004	37,159	49,017	86,176

10. Reconciliation of movements in equity shareholder's funds

	24 December 2004 £'000	26 December 2003 £'000
Profit for the financial period	6,299	25,289
Net increase in equity shareholder's funds	6,299	25,289
Opening equity shareholder's funds	79,878	54,589
Closing equity shareholder's funds	86,177	79,878

11. 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 2004, this contingent liability amounted to £5.8 million (2003: £4.6 million).

**Notes to the financial statements
52 weeks ended 24 December 2004**

12. Commitments

At 24 December 2004, the Company had minimum annual commitments under operating leases of land and buildings of:

	24 December 2004 £'000	26 December 2003 £'000
Operating leases which expire:		
Between two to five years	-	180
After five years	54	151
	<u>54</u>	<u>331</u>

The Company is also obliged to make additional performance-related rental payments on a number of sites. In the period ended 24 December 2004 these amounted to £7,183.21 (2003: £64,204.44).

Financial guarantees

Facilities agreement and related debenture and cross guarantees

In 2002, The Royal Bank of Scotland plc ("RBS") extended debt facilities to the Group under a Senior Facilities Agreement. The Company acted as a guarantor under this agreement; entered into a Debenture in favour of RBS (as Trustee) in relation to the facilities; and, together with Parking International Holdings Limited ("PIHL"), the ultimate parent Company, entered into full cross guarantees in relation to the facilities.

On 9 December 2003, the agreement above was replaced: the Company entered, as a guarantor, into a new £148 million Senior Facilities Agreement with RBS, and into another Debenture in favour of RBS (as Trustee).

On 23 August 2004, Primepanel Limited, a fellow Group Company, entered into a £73m Commercial Mortgage Facilities Agreement with RBS which was used to repay part of the £148m Senior Facilities. The Company acted as a guarantor for this facility.

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. The Company guaranteed this deed.

13. 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.

**Notes to the financial statements
52 weeks ended 24 December 2004**

14. Ultimate parent company and controlling party

The ultimate parent Company is Parking International Holdings Limited, a Company incorporated in Great Britain and registered in England and Wales. Parking International Holdings Limited is ultimately owned and controlled by funds managed by Cinven Limited, which own shares representing 91.42% of the issued share capital. Cinven Limited is a Company incorporated in Great Britain and registered in England and Wales.

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. Copies of the Group financial statements are available from 21 Bryanston Street, London, W1H 7AB.