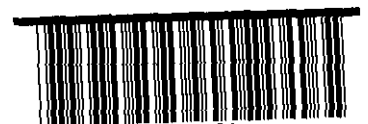


**NCP Empire (No. 3) Limited  
(formerly Puremost Limited)**

**Report and Financial Statements**

**For the period from 1 January 2003 to 26 December 2003**



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**REPORT AND FINANCIAL STATEMENTS 2003**

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**REPORT AND FINANCIAL STATEMENTS 2003**

**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 Morris Crisp  
5 Appold Street  
London EC2A 2HA

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

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
London

## **DIRECTORS' REPORT**

The directors submit their annual report and the audited financial statements for the period from 1 January 2003 to 26 December 2003.

### **PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS**

The principal activity of the Company is that of a property investment Company and the directors do not envisage any change during the forthcoming period.

### **BUSINESS REVIEW**

During the period, property assets costing £23 million were transferred to the Company from Primepanel Limited, a fellow Group Company. On 30 November 2003, the Company changed its name from Puremost Limited to NCP Empire (No. 3) Limited.

The trading results of the Company for the period from 1 January 2003 to 26 December 2003 are shown on page 5.

### **PROPOSED DIVIDEND**

The directors do not recommend the payment of a dividend for the period (2002: £nil).

### **DIRECTORS AND THEIR INTERESTS**

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

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

Appointed 26 February 2003  
Appointed 26 February 2003

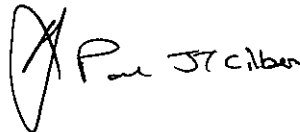
R M Macnaughton, T A M Hanson, P T Robinson and P J T Gilbert have no interests in the shares of the Company or any other Group Company apart from interests in the share capital of the ultimate parent Company, Parking International Holdings Limited. These interests are disclosed in the consolidated financial statements of Parking International Holdings Limited.

### **AUDITORS**

Elective resolutions to dispense with holding annual general meetings, the laying of the accounts before the Company in general meeting and the appointment of auditors annually are currently in force. The auditors, Deloitte & Touche LLP, will therefore be deemed to have been appointed 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.

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

P J T Gilbert  
Director



27 May 2004

## **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.

**NCP Empire (No. 3) Limited  
(formerly Puremost Limited)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
NCP Empire (No. 3) Limited (formerly Puremost Limited)**

We have audited the financial statements of NCP Empire (No. 3) Limited (formerly Puremost Limited) for the period from 1 January 2003 to 26 December 2003, which comprise the profit and loss account, the reconciliation of movements in shareholder's funds, 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 26 December 2003 and of its loss for the period from 1 January 2003 to 26 December 2003 and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte - no name LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London

*28* May 2004

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**PROFIT AND LOSS ACCOUNT**

For the period from 1 January 2003 to December 2003

	Note	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
<b>TURNOVER</b>	1	107	-
Cost of sales		(1,458)	-
<b>GROSS LOSS AND OPERATING LOSS</b>		(1,351)	-
Interest payable and similar charges	5	(119)	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(1,470)	-
Tax charge on loss on ordinary activities	6	-	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED LOSS FOR THE FINANCIAL PERIOD</b>		(1,470)	-

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

The results for the period from 1 January 2003 to 26 December 2003 and from 1 May 2002 to 31 December 2002 reflect the continuing operations of the Company.

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**For the period from 1 January 2003 to December 2003**

	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
Loss for the financial period	(1,470)	-
Net decrease in shareholder's funds	(1,470)	-
Opening shareholder's funds	-	-
Closing shareholder's deficit	(1,470)	-



**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

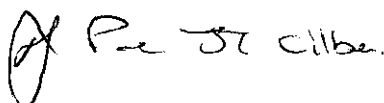
**BALANCE SHEET**  
**26 December 2003**

	Note	26 December 2003 £'000	31 December 2002 £'000
<b>FIXED ASSETS</b>			
Tangible assets	7	21,127	-
<b>CURRENT ASSETS</b>			
Debtors	8	119	-
<b>CREDITORS : amounts falling due within one year</b>	9	(22,716)	-
<b>NET CURRENT LIABILITIES</b>		(22,597)	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(1,470)	-
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	-	-
Profit and loss account	11	(1,470)	-
<b>EQUITY SHAREHOLDER'S DEFICIT</b>		(1,470)	-

These financial statements were approved by the Board of Directors on **27** May 2004.

Signed on behalf of the Board of Directors

**P J T Gilbert**  
Director



**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 1 January 2003 to December 2003**

**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.

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting convention, in accordance with applicable United Kingdom accounting standards 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 Holding 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.

**Properties**

*Operating properties*

Properties which are used for the Group's trading are regarded as operating properties and are stated in the financial statements at cost. Provisions in respect of impairment of properties are charged to the profit and loss account.

**Fixed assets and depreciation**

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 to operating properties:

Freehold (buildings only)	-	2%
Long leasehold	-	2%
Short leasehold	-	Over the term of the lease

No depreciation is provided on freehold or long leasehold land.

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.

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the period from 1 January 2003 to December 2003**

**2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
Loss on ordinary activities before taxation is stated		
<b>After charging:</b>		
Depreciation on owned assets	5	-
Impairment	1,453	-
Interest payable and similar charges	119	-
	<u>          </u>	<u>          </u>
<b>After crediting:</b>		
Rents receivable from property	(107)	-
	<u>          </u>	<u>          </u>

**3 AUDITORS' REMUNERATION**

The auditors' remuneration has been borne by National Car Parks Limited, a fellow Group Company, in the current and preceding periods.

**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 INTEREST PAYABLE AND SIMILAR CHARGES**

	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
On bank overdrafts and other borrowings:		
Interest payable to Group Company	119	-
	<u>          </u>	<u>          </u>

**6 TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES**

*a) Analysis of tax charge on ordinary activities*

	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
United Kingdom corporation tax at 30% (2002:30%) based on the profit for the period	-	-
	<u>          </u>	<u>          </u>
Current tax charge for the period	-	-
	<u>          </u>	<u>          </u>

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 1 January 2003 to December 2003**

**6 TAX ON LOSS ON ORDINARY ACTIVITIES (Continued)**

b) Factors affecting tax charge for the current period

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK: 30% (2002:30%). The differences are explained below:

	1 January 2003 to 26 December 2003 £'000	1 May 2002 to 31 December 2002 £'000
Loss on ordinary activities before tax	(1,470)	-
Tax credit at 30% thereon:	(441)	-
Effects of:		
Expenses not deductible for tax purposes	437	-
Group relief	2	-
Depreciation on non-qualifying assets	2	-
Current tax for period	-	-

**7 TANGIBLE FIXED ASSETS**

	Freehold property £'000	Long leasehold property £'000	Total £'000
<b>Cost</b>			
At 1 January 2003	-	-	-
Additions	14,362	8,223	22,585
At 26 December 2003	14,362	8,223	22,585
<b>Accumulated depreciation</b>			
At 1 January 2003	-	-	-
Charge for the period	-	5	5
Impairment	-	1,453	1,453
At 26 December 2003	-	1,458	1,458
<b>Net book value</b>			
At 26 December 2003	14,362	6,725	21,127
At 31 December 2002	-	-	-

Included within freehold and long leasehold property is land with a cost of £14,362,000 and £5,578,000 respectively (2002: £nil and £nil).

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 1 January 2003 to December 2003

**8 DEBTORS**

	26 December 2003 £'000	31 December 2002 £'000
Amounts owed from Group Companies (non-interest bearing)	119	-

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	26 December 2003 £'000	31 December 2002 £'000
Amounts owed to Group Companies	22,704	-
Accruals and deferred income	12	-
	<u>22,716</u>	<u>-</u>

Amounts owed to Group Companies are interest bearing.

The ultimate parent Company has confirmed its intention to provide financial support as necessary and on this basis the directors are satisfied the going concern basis of preparation continues to be appropriate.

**10 SHARE CAPITAL**

	26 December 2003 £'000	31 December 2002 £'000
<b>Authorised</b>		
1,000 ordinary shares of £1 each	1	1
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1	-	-

**11 RESERVES**

	Profit and loss account £'000
At 1 January 2003	-
Retained loss for the period	(1,470)
At 26 December 2003	<u>(1,470)</u>

**NCP Empire (No. 3) Limited**  
**(formerly Puremost Limited)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 1 January 2003 to December 2003**

**12 CONTINGENT LIABILITY**

Under a Group registration, the Company is jointly and severally liable for Value Added Tax due by other Group Companies. At 26 December 2003, this contingent liability amounted to £4.6 million (2002: £2.6 million).

**13 COMMITMENTS**

Annual commitments under non-cancellable operating leases were as follows:

	26 December 2003	31 December 2002
	Land and buildings £'000	Land and buildings £'000
Operating leases which expire:		
After five years	85	-
	<hr/> 85 <hr/>	<hr/> - <hr/>

**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 of NCP Empire (No. 3) Limited 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 87% of the issued share capital. Cinven Limited is incorporated in Great Britain and registered in England and Wales.

The immediate parent Company and controlling entity of NCP Empire (No. 3) Limited is NCP Empire (No. 2) Limited (previously Statusdetail Limited), a Company incorporated in Great Britain and registered in England and Wales. The parent of the largest and smallest Group for which consolidated accounts are prepared is Parking International Holdings Limited. Copies of the Group financial statements are available from 21 Bryanston Street, London, W1H 7AB.