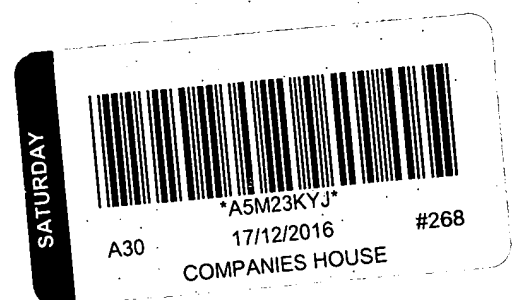


**NCP Empire No. 3 Limited**

**Report and financial statements**

**For the period from 28 March 2015 to 25 March 2016**



**NCP Empire No. 3 Limited**

**REPORT AND FINANCIAL STATEMENTS**

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# **NCP Empire No. 3 Limited**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

J L Cooper  
J P Scott

### **COMPANY SECRETARY**

A Campbell

### **REGISTERED OFFICE**

Saffron Court  
14B St. Cross Street  
London  
EC1N 8XA

### **INDEPENDENT AUDITORS**

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

## **NCP Empire No. 3 Limited**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for NCP Empire No. 3 Limited ("the Company") for the period from 28 March 2015 to 25 March 2016.

#### **PRINCIPAL ACTIVITIES**

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.

#### **RESULTS AND DIVIDENDS**

The results for the period are shown in the profit and loss account on page 6. As at 25 March 2016, the Company had net assets of £10.5 million (27 March 2015: £5.1 million). The increase in the period is mainly due to the Company receiving a waiver of its interest bearing amounts owed to Group undertakings of £5.2 million on 27 November 2015.

The directors do not recommend the payment of a dividend (period ended 27 March 2015: £nil).

#### **DIRECTORS**

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

J L Cooper  
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.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; 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 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.

## DIRECTORS' REPORT

### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 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  
14 December 2016

# ***Independent auditors' report to the members of NCP Empire No. 3 Limited***

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## **Report on the financial statements**

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### **Our opinion**

In our opinion, NCP Empire No.3 Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 25 March 2016 and of its profit for the 52 week period (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.

### **What we have audited**

The financial statements, included within the Annual report, comprise:

- the Balance sheet as at 25 March 2016;
- the Profit and loss account for the period then ended;
- the Statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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## **Opinion on other matter prescribed by the Companies Act 2006**

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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.

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## **Other matters on which we are required to report by exception**

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### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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) ("ISAs (UK & 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.

### What an audit of financial statements involves

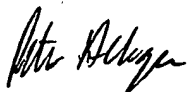
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Peter Acloque (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
14 December 2016

**PROFIT AND LOSS ACCOUNT**

Company number 4429286

For the period from 28 March 2015 to 25 March 2016

		28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
	Note		
<b>TURNOVER</b>		321	319
Cost of sales		-	-
<b>OPERATING PROFIT</b>	2	321	319
Interest payable and similar charges	2	(151)	(218)
Debt waiver received	2	5,236	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	5,406	101
Tax on profit on ordinary activities	5	-	-
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		5,406	101

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 was no other comprehensive income in either period other than the result for each period. Accordingly, no statement of total recognised gains and losses is presented.

All of the activities of the Company are continuing.

The notes on pages 9 to 13 form an integral part of these financial statements.



**NCP Empire No. 3 Limited**

**BALANCE SHEET**

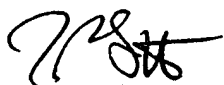
**As at 25 March 2016**

**Company number 4429286**

		25 March 2016 £'000	27 March 2015 £'000
	Note		
<b>FIXED ASSETS</b>			
Tangible assets	6	-	2,642
<b>CURRENT ASSETS</b>			
Debtors	7	10,530	7,567
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	8	(5)	(5,090)
<b>NET CURRENT ASSETS</b>		10,525	2,477
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,525	5,119
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2,631	2,631
Profit and loss account		7,894	2,488
<b>TOTAL SHAREHOLDERS' FUNDS</b>		10,525	5,119

The notes on pages 9 to 13 form an integral part of these financial statements.

The financial statements on pages 6 to 13 were approved by the board of directors on 14 December 2016 and signed on its behalf by:



J P Scott  
Director

## STATEMENT OF CHANGES IN EQUITY

Company number 4429286

For the period ended 25 March 2016

	Called up share capital	Share premium account	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000
<b>At 29 March 2014</b>	2,631	-	2,387	5,018
Profit and total comprehensive income for the financial period ended 27 March 2015	-	-	101	101
<b>At 27 March 2015</b>	2,631	-	2,488	5,119
Profit and total comprehensive income for the financial period ended 25 March 2016	-	-	5,406	5,406
<b>At 25 March 2016</b>	2,631	-	7,894	10,525

The notes on pages 9 to 13 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 28 March 2015 to 25 March 2016**

**1. ACCOUNTING POLICIES**

**General Information**

NCP Empire No. 3 Limited (the "Company") is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Saffron Court, 14b St Cross Street, London, EC1N 8XA.

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.

**Statement of compliance**

The individual financial statements of NCP Empire No. 3 Limited have been prepared in compliance with the applicable United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") in the United Kingdom.

The Company has also early adopted the amendments to FRS 102 which were issued in July 2015.

**Summary of significant accounting policies**

The following accounting policies have been applied consistently in both the current and preceding period in dealing with items which are considered material in relation to the Company's financial statements. Details of the transition to FRS 102 are disclosed in note 15.

**Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost accounting convention as modified to include the revaluation of certain fixed assets further described below and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.

**Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying entity, the Company has taken advantage of the following exemptions:

- (i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- (ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- (iii) from disclosing share based payment arrangements, required by paragraphs 26.18(b), 26.19 to 26.21 and 26.23 of FRS 102, concerning its own equity instruments;
- (iv) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
- (v) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

## NOTES TO THE FINANCIAL STATEMENTS

For the period from 28 March 2015 to 25 March 2016

### 1 ACCOUNTING POLICIES (CONTINUED)

#### Foreign currency

##### (i) Functional and presentation currency

The Company financial statements are presented in pound sterling and rounded to thousands.

#### Turnover

The Company's turnover comprises gross rents receivable from other group companies derived from activities performed within the United Kingdom and from a single class of business and is recognised on a gross accruals basis.

#### Tangible fixed assets

Tangible fixed assets comprise properties in which the Company holds the beneficial ownership. Although legal title is held by fellow group companies, the risks and rewards of ownership are held by the Company.

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. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Provisions in respect of impairment of operating properties are charged or released to the profit and loss account.

No depreciation is provided on freehold land.

#### 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/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
<b>Profit/(loss) on ordinary activities before taxation is stated:</b>		
<b>After charging:</b>		
Interest payable to group undertakings	151	218
<b>After crediting:</b>		
Rents receivable from property	321	319
Debt waiver received	5,236	-

### 3. AUDITORS' REMUNERATION

The auditors' remuneration payable to the auditors for the audit of the Company's financial statements of £2,000 (period ended 27 March 2015: £2,000) was borne by National Car Parks Limited, another company within the Group.

### 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.

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 28 March 2015 to 25 March 2016

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

The tax charge for the period was £nil (period ended 27 March 2015: £nil)

The tax assessed for the period is different from that resulting from applying the standard rate of corporation tax in the UK of 20% (period ended 27 March 2015: 21%). The differences are explained below:

	28 March 2015 to 25 March 2016 £'000	29 March 2014 to 27 March 2015 £'000
Profit on ordinary activities before taxation	5,406	101
Tax at 20% (period ended 27 March 2015: 21%) thereon:	(1,082)	(21)
Effects of:		
Non taxable impairment	-	-
Non taxable debt waiver received	1,048	-
Group relief not paid for	34	21
Total tax for the period	-	-

**6. TANGIBLE ASSETS**

	Freehold land £'000
<b>Cost</b>	
At 28 March 2015	3,780
Disposal	(3,138)
Transfer to a group undertaking	(642)
At 25 March 2016	-
<b>Accumulated depreciation and impairment</b>	
At 28 March 2015 and 25 March 2016	1,138
Disposal	(1,138)
At 25 March 2016	-
<b>Net book value</b>	
At 25 March 2016	-
At 27 March 2015	2,642

Operating properties are assessed for potential impairment based upon discounted future cash flows. Following this review of the value of the portfolio of properties at 25 March 2016, an impairment charge of £nil (27 March 2015: £nil) was recognised. Transfer to a group undertaking of £642,000 was the book value of Ipswich Cox Lane which was transferred to NCP Limited on completion of the sale.

**7. DEBTORS**

	25 March 2016 £'000	27 March 2015 £'000
Amounts owed by Group undertakings	10,530	7,567

All amounts owed by Group undertakings are unsecured, non interest bearing and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 28 March 2015 to 25 March 2016

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	25 March 2016 £'000	27 March 2015 £'000
Amounts owed to Group undertakings	5	5,090

Amounts owed to Group undertakings include £nil (27 March 2015: £5,084,000), which are interest bearing at the fixed rate of 4.5%, with the remaining amounts non-interest bearing. All amounts are unsecured and repayable on demand. On 27 November 2015 the interest bearing amounts owed to Group undertakings were waived.

**9. CALLED UP SHARE CAPITAL**

	25 March 2016 £'000	27 March 2015 £'000
<b>Authorised</b>		
2,630,820 (2015: 2,630,820) ordinary shares of £1 each	2,631	2,631
<b>Allotted and fully paid</b>		
2,630,820 (2015: 2,630,820) ordinary shares of £1 each	2,631	2,631

**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 2016, this contingent liability amounted to £3.5 million (27 March 2015: £3.4 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 a new £500 million senior facilities agreement was entered into by MEIF II CP Holdings 3 Limited ("MEIF 3") with the Royal Bank of Canada ("RBC"). On 19 March 2007 MEIF 3 became an intermediate parent company of the Company. On 27 July 2007 the Company entered as a guarantor to the new £500 million senior facilities agreement with RBC.

As part of the Group restructuring completed on 27 April 2012, the RBC £500 million senior facility was reduced to a £140 million facility.

**12. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption under paragraph 33.1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 28 March 2015 to 25 March 2016**

**13. POST BALANCE SHEET EVENTS**

The parent company MEIF II CP Holdings 1 Limited refinanced its senior debt facility on 2nd December 2016. This has no direct impact on the company.

**14. ULTIMATE PARENT AND CONTROLLING PARTY**

The Company's ultimate parent and controlling party is Macquarie European Infrastructure Fund II, an English limited partnership with its registered office at 3rd Floor, 10 Lefebvre Street, St Peter Port, Guernsey, GY1 2PE. 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 England. Copies of the consolidated financial statements of MEIF II CP Holdings 1 Limited are available from Saffron Court, 14b St Cross Street, London, EC1N 8XA.

The Company's immediate parent company and controlling party is NCP Empire No. 2 Limited, a company incorporated and registered in England.

**15. TRANSITION TO FRS 102**

This is the first period that the Company has presented its results under FRS 102. The last financial statements under previous UK GAAP were for the period ended 27 March 2015. The date of transition to FRS 102 was 29 March 2014. The Company has early adopted the amendments to FRS 102 (issued in July 2015). Set out below are the changes in accounting policies which reconcile profit for the financial period ended 27 March 2015 and the total equity as at 29 March 2014 and 27 March 2015 between UK GAAP as previously reported and FRS 102.

**Estimates**

The estimates at 29 March 2014 and 27 March 2015 are consistent with those made for the same dates in accordance with UK GAAP.

**Summary of transition impact**

The previously reported financial position and financial performance has not been re-measured on transition to FRS 102.