

**Company Registration No. 4588795**

**TLLC BRIDGECO3 LIMITED**

**Report and financial statements**

**Year ended 31 December 2005**



**TLLC BRIDGECO3 LIMITED**  
**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005**

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**TLLC BRIDGECO3 LIMITED**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Grant Hearn  
Harry Turner  
Jon Mortimore  
Guy Parsons

**COMPANY SECRETARIES**

Jon Mortimore  
AG Secretarial Limited

**REGISTERED OFFICE**

100 Barbirolli Square  
Manchester  
M2 3AB

**BANKERS**

The Royal Bank of Scotland plc  
135 Bishopsgate  
LONDON  
EC2M 3UR

**SOLICITORS**

Addleshaw Goddard  
150 Aldersgate Street  
LONDON  
EC1A 4EJ

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
LONDON

## **TLLC BRIDGECO3 LIMITED**

### **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2005.

### **ACTIVITIES**

The Company is principally engaged in the ownership and letting of properties to group companies.

### **BUSINESS REVIEW**

The Company made an operating profit of £1,363,551 for the year ended 31 December 2005 (2004: operating profit of £1,313,384), and after taking account of interest payable and tax, a loss of £1,508,732 (2004: loss of £1,657,436). The Directors expect the level of activity to remain the same in 2006.

### **PROPOSED DIVIDEND**

The Directors do not recommend payment of a dividend (2004: £nil).

### **DIRECTORS AND THEIR INTERESTS**

The Directors, who served throughout the year were as follows:

Grant Hearn  
Harry Turner  
Jon Mortimore  
Guy Parsons

There were no other beneficial interests of the Directors and their immediate families in the Company or any other companies in the Group, other than those disclosed in the parent holding company, TLLC Group Holdings Limited, except as follows:

| <b>Director</b> | <b>At 31 December 2004</b>                               | <b>At 31 December 2005</b>                               |
|-----------------|--|--|
| Harry Turner    | 10,500 ordinary 'A' shares<br>10,500 ordinary 'B' shares | 10,500 ordinary 'A' shares<br>10,500 ordinary 'B' shares |
| Guy Parsons     | 7,500 ordinary 'A' shares<br>7,500 ordinary 'B' shares   | 7,500 ordinary 'A' shares<br>7,500 ordinary 'B' shares   |

The shares referred to above are shares of TLLC Group Holdings Limited.

No Director has had a material interest, directly or indirectly, at any time during the year in any contract significant to the business in the Company.

### **AUDITORS**

Deloitte & Touche LLP have expressed their willingness to continue in office and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting.

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

Jon Mortimore  
Secretary  
12 June 2006

## **TLLC BRIDGECO3 LIMITED**

### **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 year. 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 TLLC BRIDGECO3 LIMITED**

We have audited the financial statements of TLLC BRIDGECO3 LIMITED for the year ended 31 December 2005 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We also report to you 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 other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
TLLC BRIDGECO3 LIMITED (CONTINUED)**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche UK*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London

12 June 2006

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**TLLC BRIDGECO3 LIMITED**

**PROFIT AND LOSS ACCOUNT**

**Year ended 31 December 2005**

|  | <i>Notes</i> | <b>Year ended 31<br/>December 2005<br/>£</b> | <b>Year ended 31<br/>December 2004<br/>£</b> |
|--|--------------|--|--|
| <b>TURNOVER</b>  | 2            | 2,527,959                                    | 2,541,513                                    |
| Administrative expenses  |              | (1,164,408)                                  | (1,228,129)                                  |
| <b>OPERATING PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE INTEREST</b>           | 4            | <u>1,363,551</u>                             | <u>1,313,384</u>                             |
| Interest payable and similar charges   | 5            | (2,773,360)                                  | (2,765,762)                                  |
| <b>LOSS ON ORDINARY ACTIVITIES BEFORE<br/>TAXATION</b>                       |              | <u>(1,409,809)</u>                           | <u>(1,452,378)</u>                           |
| Tax on loss on ordinary activities   | 6            | (98,923)                                     | (205,058)                                    |
| <b>LOSS ON ORDINARY ACTIVITIES AFTER<br/>TAXATION FOR THE FINANCIAL YEAR</b> | 11           | <u>(1,508,732)</u>                           | <u>(1,657,436)</u>                           |

All results are derived from continuing operations.

There are no recognised gains or losses other than stated above for the current or the preceding financial year and accordingly no separate statement of total recognised gains and losses is presented.



**TLLC BRIDGECO3 LIMITED**

**BALANCE SHEET**

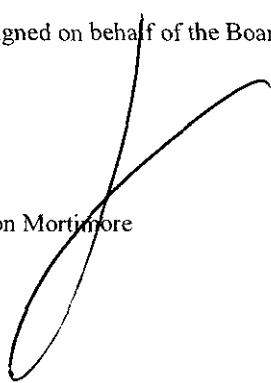
**As at 31 December 2005**

|   | Notes | 2005<br>£           | 2004<br>£           |
|---|-------|---------------------|---------------------|
| <b>FIXED ASSETS</b>                                   |       |                     |                     |
| Tangible fixed assets                                 | 7     | 32,586,980          | 33,280,320          |
| <b>CREDITORS: amounts falling due within one year</b> | 8     | (36,072,384)        | (35,355,915)        |
| <b>NET CURRENT LIABILITIES</b>                        |       | <u>(36,072,384)</u> | <u>(35,355,915)</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | <u>(3,485,404)</u>  | <u>(2,075,595)</u>  |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>         | 9     | (303,981)           | (205,058)           |
| <b>NET LIABILITIES</b>                                |       | <u>(3,789,385)</u>  | <u>(2,280,653)</u>  |
| <b>CAPITAL AND RESERVES</b>                           |       |                     |                     |
| Called up share capital                               | 10    | 1                   | 1                   |
| Profit and loss account                               | 11    | (3,789,386)         | (2,280,654)         |
| <b>EQUITY SHAREHOLDERS' DEFICIT</b>                   | 12    | <u>(3,789,385)</u>  | <u>(2,280,653)</u>  |

These financial statements were approved by the Board of Directors on 12 June 2006.

Signed on behalf of the Board of Directors

Jon Mortimore



## **TLLC BRIDGECO3 LIMITED**

### **NOTES TO THE ACCOUNTS**

**Year ended 31 December 2005**

#### **1 ACCOUNTING POLICIES**

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The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Accounting policies have been consistently applied throughout the current and preceding year and a summary of the principal accounting policies is set out below.

##### **Accounting convention**

These financial statements were prepared under the historical cost convention.

##### **Cash flow statement**

Under Financial Reporting Standard 1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent company includes the Company's cash flows in its own published consolidated accounts.

##### **Fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

##### **Depreciation**

Fixed assets are written off on a straight line basis over their estimated useful economic lives as follows:

- Freehold land is not depreciated.
- Freehold buildings are depreciated to their estimated residual values over periods up to seventy five years.
- Leasehold land, buildings and improvements are depreciated to their estimated residual values over the shorter of fifty years and their remaining lease periods.

##### **Leased assets**

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease. Incentives received by the Group to enter into leases as a lessee are credited to the profit and loss account on a straight line basis over the lease term or, if shorter, the period to the first review date on which rent is adjusted to the prevailing market rate.

##### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on all 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 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.

**TLLC BRIDGECO3 LIMITED****NOTES TO THE ACCOUNTS****Year ended 31 December 2005****2 TURNOVER**

Turnover represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities after deduction of value added tax. The turnover and pre-tax profit, all of which arises in the United Kingdom, is attributable to one activity, the letting of commercial properties under operating leases to an indirect parent company.

|                    | Year ended 31<br>December 2005<br>£ | Year ended 31<br>December 2004<br>£ |
|--------------------|-------------------------------------|-------------------------------------|
| Group undertakings | 2,527,959                           | 2,541,513                           |

**3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

Information regarding Directors' emoluments is disclosed in the accounts of TLLC GROUP HOLDINGS LIMITED, a parent company.

Directors of the Company received no remuneration for services to this Company for the current or preceding year.

There were no employees in the current or preceding year.

**4 PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST**

|  | Year ended 31<br>December 2005<br>£ | Year ended 31<br>December 2004<br>£ |
|--|-------------------------------------|-------------------------------------|
| Operating profit is stated after charging: |                                     |                                     |
| Depreciation                               | 693,340                             | 693,340                             |
| Operating lease rentals                    | 471,068                             | 534,789                             |

The audit fee is borne by a fellow group company for the current and preceding year.

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

|                                     | Year ended 31<br>December 2005<br>£ | Year ended 31<br>December 2004<br>£ |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Interest paid to group undertakings | (2,773,360)                         | (2,765,762)                         |

**TLLC BRIDGECO3 LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2005**

**6 TAX ON LOSS ON ORDINARY ACTIVITIES**

|  | <b>Year ended 31<br/>December 2005<br/>£</b> | <b>Year ended 31<br/>December 2004<br/>£</b> |
|--|--|--|
| Current Tax:                                   |  |  |
| UK corporation tax                             | -  | -  |
| Deferred Tax:                                  |  |  |
| Origination and reversal of timing differences | (98,923)                                     | (205,058)                                    |
| <b>Tax on loss on ordinary activities</b>      | <b>(98,923)</b>                              | <b>(205,058)</b>                             |

The difference between the total current tax shown and the amount calculated by applying the standard rate of UK corporation at 30% tax to the loss before tax is as follows:

|   | <b>Year ended 31<br/>December 2005<br/>£</b> | <b>Year ended 31<br/>December 2004<br/>£</b> |
|---|--|--|
| Loss on ordinary activities                                     | <b>(1,409,809)</b>                           | <b>(1,452,378)</b>                           |
| UK corporation tax rate of 30%                                  | (422,943)                                    | (435,713)                                    |
| Effects of:   |  |  |
| Capital allowances in excess of depreciation                    | (98,924)                                     | (98,924)                                     |
| Expenses not deductible for tax purposes                        | 131,483                                      | 131,483                                      |
| Tax losses surrendered to group companies for nil consideration | 390,384                                      | 403,154                                      |
| <b>Current tax charge for the year</b>                          | <b>-</b>                                     | <b>-</b>                                     |

No provision for UK corporation tax has been made for the year to 31 December 2005 due to the availability of capital allowances and tax losses arising in the year. It is anticipated that tax losses and the availability of capital allowances in excess of depreciation will reduce future tax charges.

Deferred tax is as follows:

|                                | <b>Year ended 31<br/>December 2005<br/>Provided<br/>£</b> | <b>Year ended 31<br/>December 2005<br/>Unprovided<br/>£</b> | <b>Year ended 31<br/>December 2004<br/>Provided<br/>£</b> | <b>Year ended 31<br/>December 2004<br/>Unprovided<br/>£</b> |
|--------------------------------|---|---|---|---|
| Accelerated capital allowances | (303,981)   | -   | (205,058)   | -   |
| <b>Deferred tax liability</b>  | <b>(303,981)</b>  | <b>-</b>  | <b>(205,058)</b>  | <b>-</b>  |

**TLLC BRIDGECO3 LIMITED****NOTES TO THE ACCOUNTS****Year ended 31 December 2005****7 TANGIBLE FIXED ASSETS**

|  | <b>Long<br/>leaseholds<br/>£</b> | <b>Total<br/>£</b>       |
|--|----------------------------------|--------------------------|
| <b>Cost</b>                            |                                  |                          |
| At 1 January 2005 and 31 December 2005 | <u>34,667,000</u>                | <u>34,667,000</u>        |
| <b>Accumulated depreciation</b>        |                                  |                          |
| At 1 January 2005                      | (1,386,680)                      | (1,386,680)              |
| Charge for the year                    | <u>(693,340)</u>                 | <u>(693,340)</u>         |
| At 31 December 2005                    | <u>(2,080,020)</u>               | <u>(2,080,020)</u>       |
| <b>Net book value</b>                  |                                  |                          |
| <b>At 31 December 2005</b>             | <b><u>32,586,980</u></b>         | <b><u>32,586,980</u></b> |
| At 1 January 2005                      | <u>33,280,320</u>                | <u>33,280,320</u>        |

The Company acquired the beneficial ownership of the properties on 17 December 2002 from a fellow group company and acquired the legal titles subsequently during the year ended 31 December 2003. All of the Company's fixed assets are used by a fellow group company under operating leases effective from 18 December 2003.

A charge over the Company's fixed assets has been granted to the Group's lenders as part security for intermediate parent Companies' borrowings totalling £79.4m (2004: £79.9m).

**TLLC BRIDGECO3 LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2005**

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

|                                   | 2005<br>£    | 2004<br>£    |
|-----------------------------------|--------------|--------------|
| Amounts due to group undertakings | (36,072,384) | (35,355,915) |

Amounts due to group undertakings are repayable on demand and bear interest at 8%.

**9 PROVISIONS FOR LIABILITIES AND CHARGES**

|   | 2005<br>£ |
|---|-----------|
| Movements on the provided deferred tax liability: |           |
| At 1 January 2005                                 | (205,058) |
| Charge for the year                               | (98,923)  |
| At 31 December 2005                               | (303,981) |

**10 CALLED UP SHARE CAPITAL**

|  | 2005<br>£ | 2004<br>£ |
|--|-----------|-----------|
| <b>Authorised:</b>                         |           |           |
| 1 Ordinary share of £1                     | 1         | 1         |
| <b>Called up, allotted and fully paid:</b> |           |           |
| 1 Ordinary share of £1                     | 1         | 1         |

**11 RESERVES**

|                      | 2005<br>£   |
|----------------------|-------------|
| As at 1 January 2005 | (2,280,654) |
| Loss for the year    | (1,508,732) |
| At 31 December 2005  | (3,789,386) |

**TLLC BRIDGECO3 LIMITED****NOTES TO THE ACCOUNTS****Year ended 31 December 2005****12 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' DEFICIT**

|   | 2005<br>£          | 2004<br>£          |
|---|--------------------|--------------------|
| Opening equity shareholders' deficit        | (2,280,653)        | (623,217)          |
| Loss for the year                           | (1,508,732)        | (1,657,436)        |
| <b>Closing equity shareholders' deficit</b> | <b>(3,789,385)</b> | <b>(2,280,653)</b> |

**13 OPERATING LEASE COMMITMENTS**

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

| Expiry date           | 2005<br>£      | 2004<br>£      |
|-----------------------|----------------|----------------|
| Within 1 year         | -              | -              |
| Between 2 and 5 years | -              | -              |
| After 5 years         | 600,306        | 600,306        |
|                       | <b>600,306</b> | <b>600,306</b> |

**14 RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY**

As a subsidiary of TLLC GROUP HOLDINGS LIMITED, the Company has taken advantage of the exemption in FRS 8 'Related Party Transactions' not to disclose transactions with other members of the Group.

The immediate parent company is TLLC PropHoldCo2 Limited.

The Directors regard Permira (Europe) Limited, the general partner of Permira Europe II, as the ultimate controlling party. Permira Europe II invested in TLLC GROUP HOLDINGS LIMITED on 30 January 2003. TLLC GROUP HOLDINGS LIMITED is the parent company of the largest and smallest group of which the Company is a member and for which the Group financial statements are drawn up. Copies of the Group financial statements are available from its registered office: Sleepy Hollow, Aylesbury Road, Thame, OX9 3AT.