

EURO CAR PARKS LIMITED

REPORT AND ACCOUNTS

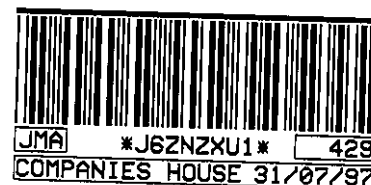
31 December 1996

Registered number: 1270612

KIDSONS IMPEY

CHARTERED ACCOUNTANTS

BLACKBURN



EURO CAR PARKS LIMITED
ACCOUNTS
for the year ended 31 December 1996

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EURO CAR PARKS LIMITED

COMPANY INFORMATION

31 December 1996

DIRECTORS

B M Tucker
R Tucker
L Knight

SECRETARY

G N Lomas

REGISTERED OFFICE

31 Byrom Street
Manchester
M3 4PF

AUDITORS

Kidsons Impey
Chartered Accountants
Parkgates
52a Preston New Road
Blackburn
Lancashire
BB2 6AH

EURO CAR PARKS LIMITED

DIRECTORS' REPORT

31 December 1996

The directors present their report and the audited accounts for the year ended 31 December 1996.

Principal activities

The principal activity of the company in the year under review continues to be that of the operating and management of car parks.

Review of business

The results for the year and financial position of the company are as shown in the annexed financial statements.

Dividends and transfers to reserves

No dividends will be distributed for the year ended 31 December 1996. The retained profit transferred to reserves will be £81,113.

Directors

The directors of the company at 31 December 1996 and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31.12.96 Ordinary shares	31.12.95 Ordinary shares
B M Tucker	-	-
R Tucker	-	-
L Knight	-	-

The directors are all directors of the holding company and their interests in the issued share capital are disclosed in that company's accounts.

Statement of directors' responsibilities

We are required under company law to prepare accounts for each financial year which 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 accounts we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the accounts on a going concern basis unless in our view the company will be unable to continue in business;

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

DIRECTORS' REPORT

31 December 1996
(continued)

Fixed assets

The movements in fixed assets during the period are set out in the notes to the financial statements.

Disabled employees

The company gives full consideration to application for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development to disabled employees wherever appropriate.

Employment involvement

It is the company's policy to allow employees to present their suggestions and views on the company's performance and the company welcomes ideas which are forthcoming.

Auditors

Kidsons Impey have agreed to offer themselves for re-appointment as auditors of the company.

By order of the board


G Lomas
Secretary

Registered Office:

31 Byrom Street
Manchester
M3 4PF

Date: 30 July 1997

EURO CAR PARKS LIMITED**AUDITORS' REPORT****Auditors' report to the members of Euro Car Parks Limited**

We have audited the accounts on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

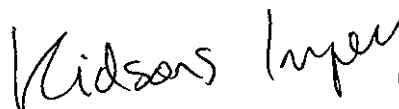
Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Kidsons Impey
Registered Auditors
Chartered Accountants

Parkgates
52a Preston New Road
Blackburn
Lancashire
BB2 6AH

Date: 30 July 1997

EURO CAR PARKS LIMITED
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 1996

	Note	1996	1995 £
Turnover	(2)	6,249,412	4,943,585
Cost of sales		6,114,253	4,886,374
Gross profit		<u>135,159</u>	<u>57,211</u>
Other operating income		-	-
Operating profit		<u>135,159</u>	<u>57,211</u>
Interest receivable	(3)	13	296
		<u>135,172</u>	<u>57,507</u>
Interest payable and similar charges	(3)	6,224	6,973
Profit on ordinary activities before taxation	(3)	<u>128,948</u>	<u>50,534</u>
Tax on profit on ordinary activities	(6)	47,835	18,165
Profit for the financial year after taxation		<u>81,113</u>	<u>32,369</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 DECEMBER 1996

The company has had no recognised gains and losses during this year and last year other than profit for the financial year.

NOTES OF HISTORICAL COST PROFITS AND LOSSES

FOR THE YEAR ENDED 31 DECEMBER 1996

Profit on a historical cost basis does not differ from profit as shown in the profit and loss account.

Other movements in reserves are shown in note 13.

The notes on pages 7 to 11 form part of these financial statements.

EURO CAR PARKS LIMITED

BALANCE SHEET

at 31 December 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible assets	(7)	381,546	412,467
Current assets			
Debtors	(8)	1,773,670	1,238,357
Cash at bank and in hand		170,235	40,588
		<u>1,943,905</u>	<u>1,278,945</u>
Creditors: Amounts falling due within one year	(9)	(1,982,286)	(1,407,205)
Net current liabilities		(38,381)	(128,260)
Total assets less current liabilities		<u>343,165</u>	<u>284,207</u>
Creditors: Amounts falling due after more than one year	(10)	(10,963)	(33,118)
Net assets		<u>332,202</u>	<u>251,089</u>
Capital and reserves			
Called up share capital	(12)	100	100
Revaluation reserve	(13)	151,741	151,741
Profit and loss account	(13)	180,361	99,248
Total equity shareholder's funds	(11)	<u>332,202</u>	<u>251,089</u>

The accounts on pages 5 to 11 were approved by the board of directors on 30 July 1997.

L KNIGHT



- Director

The notes on pages 7 to 11 form part of these financial statements.

NOTES ON ACCOUNTS

31 December 1996

1 Principal accounting policies**Basis of accounting**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules except for certain freehold property which is stated at valuation. Profits or losses arising on the disposal of items stated at valuation are determined by reference to the difference between the valuation and the sale proceeds.

Cost of sales

Cost of sales is stated as all those costs directly incurred by the company, including depreciation and an appropriate proportion of overheads, in order to bring each product sold to its saleable condition and to provide the services to customers.

Depreciation

Depreciation is calculated to write off the cost or valuation of all tangible fixed assets, other than freehold land which is not depreciated, in equal annual installments over their estimated useful lives at the following rates:-

Freehold property	nil	
Site expenditure	1-5 years	straight line
Fixtures and equipment	12% per annum	straight line
Motor vehicles	24% per annum	straight line

The non-provision of depreciation of freehold property is not in accordance with the requirement of Statement of Standard Accounting Practice 12, Accounting for Depreciation, but is considered necessary in order that the accounts show a true and fair view. The Directors thus consider that the lives of such freehold property and their residual values (based on prices prevailing at the time of acquisition or subsequent valuation) are such that their depreciation is insignificant.

Site expenditure

From 1 January 1996 site expenditure is written off to cost of sales as it is incurred. This ensures consistent treatment of all such expenditure across all sites and is considered to be a prudent approach. Expenditure previously capitalised as site set-up costs will continue to be amortised as in prior years.

Deferred taxation

Deferred taxation is provided, using the liability method, on all timing differences between the profit computed for taxation purposes and the profit stated in the financial statements to the extent that it is probable the liability will crystallise.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it is a wholly-owned subsidiary of a parent undertaking which publishes a consolidated cash flow statement.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

2 Turnover

Turnover represents the invoiced value excluding value added tax, of goods sold and services provided to customers. All activities are classed as continuing. There were no acquisitions or disposals of operations during the year or previous period.

EURO CAR PARKS LIMITED
NOTES ON ACCOUNTS
31 December 1996
(continued)

3 Profit on ordinary activities before taxation

	1996 £	1995 £
Profit on ordinary activities before taxation is stated after charging:		
Interest payable and similar charges		
Other loans	-	78
Finance charges - Hire purchase contracts and finance leases	6,224	6,895
	<hr/>	<hr/>
Directors' emoluments	98,500	80,466
Hire of plant and machinery	-	69,839
Depreciation		
- owned assets	87,901	77,836
- leased assets	28,457	22,329
Auditors' remuneration	5,000	5,800
	<hr/>	<hr/>
and after crediting:		
Bank interest receivable	13	296
Profit on disposal of fixed assets	1,695	791
	<hr/>	<hr/>

The total amount charged against profits in respect of assets held under finance leases and hire purchase contracts in £34,682 (1995 : £29,224) of which part is shown as depreciation and the balance is shown as interest above.

4 Directors' emoluments

For management	107,920	82,957
	<hr/>	<hr/>
Emoluments, excluding pension contributions, are analysed as follows:		
Chairman	59,863	40,332
	<hr/>	<hr/>
Highest paid director	59,863	42,625
	<hr/>	<hr/>
Number of other directors whose emoluments were within the ranges		Number
£ 0 - £ 5,000	1	1
£40,001 - £45,000	1	-
	<hr/>	<hr/>

5 Employees

- (a) The average number of persons, including directors employed by the company during the year was:-

Management	12	10
Administration	12	11
Production and sales	326	213
	<hr/>	<hr/>
	350	234
	<hr/>	<hr/>

- (b) Staff costs:

		£
Wages and salaries	2,384,577	1,892,041
Social security costs	156,613	128,598
	<hr/>	<hr/>
	2,541,190	2,020,639
	<hr/>	<hr/>

NOTES ON ACCOUNTS

31 December 1996

(continued)

6 Tax on profit on ordinary activities

	1996 £	1995 £
United Kingdom corporation tax based on the profit for the year at 24% (1995: 25%)	43,597	18,165
Under provision in respect of previous year	4,238	-
	<u>47,835</u>	<u>18,165</u>

7 Tangible fixed assets

Cost or valuation	Freehold Property £	Site Expenditure £	Fixtures and Equipment £	Motor Vehicles £	Total £
As at 1 January 1996	212,125	330,252	124,147	224,899	891,423
Additions	-	39,333	12,089	48,415	99,837
Disposals	-	-	-	(36,083)	(36,083)
As at 31 December 1996	<u>212,125</u>	<u>369,585</u>	<u>136,236</u>	<u>237,231</u>	<u>955,177</u>
Depreciation					
As at 1 January 1996	-	297,387	78,035	103,534	478,956
Charge for year	-	54,454	16,241	45,663	116,358
Eliminated on disposals	-	-	-	(21,683)	(21,683)
As at 31 December 1996	<u>-</u>	<u>351,841</u>	<u>94,276</u>	<u>127,514</u>	<u>573,631</u>
Net book amount					
At 31 December 1996	<u>212,125</u>	<u>17,744</u>	<u>41,960</u>	<u>109,717</u>	<u>381,546</u>
At 31 December 1995	<u>212,125</u>	<u>32,865</u>	<u>46,112</u>	<u>121,365</u>	<u>412,468</u>

The net book amount of motor vehicles includes £80,751 (1995: £103,572) in respect of assets held under finance leases and hire purchase contracts.

Included in land and buildings is land valued at £212,125 (1995 : £212,125) which is not depreciated. On an historical cost basis these would have been included at £60,384 (1995 : £60,384). One property was revalued in 1992 to £200,000 (cost £48,259).

8 Debtors

Amounts falling due within one year:	1996 £	1995 £
Trade debtors	762,149	442,714
Other debtors	144,750	193,651
Amount due from holding company	619,427	410,497
Prepayments and accrued income	219,474	191,495
Corporation tax recoverable	27,870	-
	<u>1,773,670</u>	<u>1,238,357</u>

Included in other debtors is an amount of £135,000 which is due after more than one year (1995 : £135,000).

EURO CAR PARKS LIMITED

NOTES ON ACCOUNTS

31 December 1996

(continued)

9 Creditors: amounts falling due within one year

	1996 £	1995 £
Bank loans and overdrafts	-	-
Trade creditors	631,182	495,218
Payments received on account	110,984	79,929
Finance leases and hire purchase contracts	38,296	33,432
Other creditors	181,882	109,338
Taxation	122,563	104,978
Other taxes and social security	437,428	222,700
Accruals and deferred income	459,951	361,610
	<u>1,982,286</u>	<u>1,407,205</u>

10 Creditors: amounts falling due after more than one year

Finance leases and hire purchase contracts	<u>10,963</u>	<u>33,118</u>
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Finance leases and hire purchase contracts

Obligations under finance leases and hire purchase contracts are repayable over varying periods by monthly installments as follows:

In one year or less	44,768	33,432
Between one and five years	12,824	39,184
	<u>57,592</u>	<u>72,616</u>
Less: finance charges allocated to future periods	8,333	6,066
	<u>49,259</u>	<u>66,550</u>

EURO CAR PARKS LIMITED
NOTES ON ACCOUNTS
31 December 1996
(continued)

11 Reconciliation of shareholders' funds

	1996 £	1995 £
Profit for the financial year	81,113	32,369
Net addition to shareholders' funds	81,113	32,369
Opening shareholders' funds	251,089	218,720
Closing shareholders' funds	332,202	251,089

12 Called up share capital

	Authorised		Allotted, Issued and paid	
	1996 Number	1995 Number	1996 Number	1995 Number
Ordinary shares of £1 each	100	100	100	100
	£	£	£	£
Ordinary shares of £1 each	100	100	100	100

13 Reserves

	Profit and loss account £	Revaluation reserve £	Total £
Balance at 1 January 1996	99,248	151,741	250,989
Retained profit for the period	81,113	-	81,113
Balance at 31 December 1996	180,361	151,741	332,102

14 Related Party Disclosures

The ultimate controlling party is Mr BM Tucker.

Included in Other Creditors is £2,712 (1995: £56,901 debtor) due from a firm in which B M Tucker is a partner.

Included in Other Debtors is £4,000 (1995: £nil) due from L Knight who is a director of the company and £4,000 (1995: £nil) due from S Knight who is an officer of the company. The maximum outstanding on both of these loans at any time in the year was £5,000.

15 Holding company

The ultimate holding company is ECP (Holdings) Plc, a company registered in England.

16 Contingent liability

The company has given a cross guarantee in respect of the bank overdraft and loans of its parent company, ECP (Holdings) Plc. At 31 December 1996 this amounted to £1,988,501 (1995 : £1,378,034).