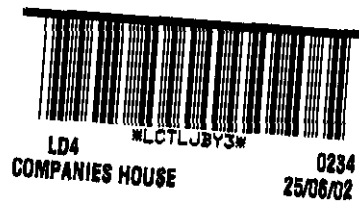


**SPACIA SAFESTORE LIMITED**  
**(formerly Inhoco 2292 Limited)**

**Report and Financial Statements**

**31 October 2001**

**Deloitte & Touche**  
**Hill House**  
**1 Little New Street**  
**London**  
**EC4A 3TR**



**REPORT AND FINANCIAL STATEMENTS 2001**

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**REPORT AND FINANCIAL STATEMENTS 2001**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

H C Gordon  
D C Wiseman  
S K Osborne  
S W Williams

**SECRETARY**

A B & C Secretarial Ltd (appointed 19 March 2001, resigned 2 April 2001)  
P F Worthington (appointed 2 April 2001)

**REGISTERED OFFICE**

105 Mayes Road  
London  
N22 6UP

**BANKERS**

National Westminster Bank PLC  
15 Bishopsgate  
London  
EC2P 2AP

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Hill House  
1 Little New Street  
London  
EC4A 3TR

## **DIRECTORS' REPORT**

The directors present their first report and the audited financial statements for the period ended 31 October 2001. The company was incorporated as Inhoco 2292 Limited on 19 March 2001 and by written resolution on 2 April 2001 changed its name to Spacia Safestore Limited.

### **PRINCIPAL ACTIVITIES**

It is intended that the principal activity of the company is to be the provision of self storage.

### **REVIEW OF BUSINESS AND FUTURE PROSPECTS**

The company did not trade during the period. The company's first self storage store opened in March 2002. The directors are optimistic about the future prospects of the company.

### **RESULTS AND DIVIDENDS**

The profit and loss account for the period is set out on page 5.

The directors do not propose the payment of a dividend for the period.

### **DIRECTORS AND THEIR INTERESTS**

Details of the directors who served during the period are set out below:

Inhoco Formations Limited	(appointed 19 March 2001, resigned 2 April 2001)
E M Baker	(appointed 20 March 2001, resigned 2 April 2001)
S P Barrie	(appointed 2 April 2001, resigned 22 January 2002)
P G Lewis	(appointed 2 April 2001, resigned 22 February 2002)
J O'Brien	(appointed 2 April 2001, resigned 15 January 2002)
H C Gordon	(appointed 17 January 2002)
D C Wiseman	(appointed 2 April 2001)
S K Osborne	(appointed 17 January 2002)
S W Williams	(appointed 20 February 2002)

None of the directors had any interests in the share capital of the company during the period.

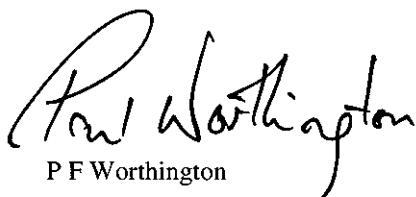
P G Lewis, D C Wiseman and S W Williams are directors of Safestore PLC which owns 50% of the issued share capital of Spacia Safestore Ltd. Their interests in the share capital of that company are shown in its financial statements.

S P Barrie and J O'Brien own 51 and 130 shares respectively in Railtrack Group PLC. As at 31 October 2001, Railtrack Group PLC was the ultimate parent company of Railtrack (Spacia) Ltd which owns 50% of the issued share capital of Spacia Safestore Ltd.

### **AUDITORS**

Deloitte & Touche were appointed auditors during the period. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



P F Worthington

Secretary

19th June 2002

## **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 SPACIA  
SAFESTORE LIMITED  
(formerly Inhoco 2292 Limited)**

We have audited the financial statements of Spacia Safestore Limited for the period ended 31 October 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

**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 year 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 at 31 October 2001 and of its loss for the period from 19 March 2001 (incorporation) to 31 October 2001 and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants  
and Registered Auditors

25 June 2002

**PROFIT AND LOSS ACCOUNT**  
**Period from 19 March 2001 to 31 October 2001**

	Note	Period from 19 March to 31 October 2001
Interest receivable and similar income		26,334
Interest payable and similar charges	3	(37,789)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(11,455)</b>
Tax on profit on ordinary activities		-
<b>RETAINED LOSS FOR THE PERIOD</b>	8	<b>(11,455)</b>

There are no recognised gains or losses for the current period other than as stated in the profit and loss account.

There are no movements in shareholders' funds other than as stated in the profit and loss account. Accordingly, no reconciliation of movements in shareholders' funds has been presented.

**BALANCE SHEET**  
**31 October 2001**

	Note	31 October 2001 £
<b>CURRENT ASSETS</b>		
Debtors	4	24,350
Cash at bank and in hand		2,751,984
		<u>2,776,334</u>
<b>CREDITORS: amounts falling due within one year</b>	5	<u>(37,789)</u>
<b>NET CURRENT ASSETS</b>		<u>2,738,545</u>
<b>CREDITORS: amounts falling due after more than one year</b>	6	<u>(2,700,000)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>38,545</u></u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital		50,000
Profit and loss account	8	<u>(11,455)</u>
<b>TOTAL EQUITY SHREHOLDERS' FUNDS</b>		<u><u>38,545</u></u>

These financial statements were approved by the Board of Directors on 19<sup>th</sup> June 2002.

Signed on behalf of the Board of Directors



D C Wiseman

Director

**NOTES TO THE ACCOUNTS**

**Period from 19 March 2001 to 31 October 2001**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

There were no employees during the period.

The directors did not receive any remuneration for their services to the company during the period.

**3. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>Period from 19 March 2001 to 31 October 2001 £</b>
2011 unsecured loan notes	37,789

**4. DEBTORS**

	<b>2001 £</b>
Prepayments and accrued income	24,350

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

	<b>2001 £</b>
Accruals and deferred income	37,789

**NOTES TO THE ACCOUNTS**

**Period from 19 March 2001 to 31 October 2001**

**6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2001</b>
	<b>£</b>
£4.40 million 2011 unsecured loan notes	2,700,000

**£4.40 million 2011 unsecured loan notes**

On 18 April 2001 loan note holders subscribed £2.70 million in the series £4.40 million 2011 unsecured loan notes.

Redemption terms are as follows:

	<b>% of loan notes held as at 1 January 2005</b>
January 2005	20.0%
January 2006	25.0%
January 2007	27.5%
January 2008	27.5%

Interest is charged at 2% above National Westminster Bank base rates for the periods to 30 April and 30 November.

**7. CALLED UP SHARE CAPITAL**

	<b>2001</b>
	<b>£</b>
<b>Authorised, called up, allotted and fully paid:</b>	
25,000 "A" ordinary shares of £1 each	25,000
25,000 "B" ordinary shares of £1 each	25,000
	<u>50,000</u>

One "A" ordinary share was issued to the subscribers of the Memorandum of Association of Spacia Safestore Limited on incorporation on 19 March 2001.

On 18 April 2001, 24,999 "A" ordinary shares and 25,000 "B" ordinary shares were issued.

**8. STATEMENT OF MOVEMENT ON RESERVES**

	<b>2001</b>
	<b>£</b>
At 19 March 2001	-
Loss for the period	(11,455)
	<u>(11,455)</u>
At 31 October 2001	<u>(11,455)</u>

**NOTES TO THE ACCOUNTS**

**Period from 19 March 2001 to 31 October 2001**

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2001</b>
	<b>£</b>
Loss for the period	(11,455)
Issue of shares	50,000
	<hr/>
Net addition to shareholders' funds	38,545
Opening shareholders' funds at 19 March 2001	-
	<hr/>
Closing shareholders' funds at 31 October 2001	38,545
	<hr/>

**10. RELATED PARTY TRANSACTIONS**

On 18 April 2001 the company issued loan notes to the value of £1.3m to Safestore plc. Safestore plc owns the entire "B" ordinary share capital of Spacia Safestore Ltd.

On 18 April 2001 the company also issued loan notes to the value of £1.3m to Railtrack (Spacia) Limited. Railtrack (Spacia) Limited own 24,999 of the 25,000 "A" ordinary shares in issue.

The terms of the loan notes are given in note 6.

As at the period end £1,368,895 is due to both Safestore plc and Railtrack (Spacia) Limited.

**11. FINANCIAL COMMITMENTS**

At 31 October 2001 the Company was committed to making the following payments during the next year in respect of the following operating leases.

	<b>2001</b>
	<b>Land and buildings</b>
	<b>£'000</b>
<b>Operating lease commitments</b>	
Leases which expire:	
After five years	27
	<hr/>