



AIRPORT PARKING & HOTELS LIMITED

COMPANY INFORMATION

Directors

B.G. Voller
J.W. Voller
C.B. Voller
N.S. Iazard
N.J. Caunter

Secretary

B.G. Voller

Company number

1539777

Registered office

12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

Auditors

Creaseys LLP
12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

Bankers

National Westminster Bank plc
16 The Boulevard
Crawley
West Sussex

Solicitors

Stevens Drake
Global House, High Street
Crawley
West Sussex

AIRPORT PARKING & HOTELS LIMITED

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AIRPORT PARKING & HOTELS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities and review of the business

The principal activity of the company during the year continued to be the provision of airport car parking facilities in the United Kingdom.

2005 saw increased revenue and profit at our car parks at Gatwick through higher space utilisation. Revenue levels fell slightly within the reservations agency as a major channel partner switched its business to its own booking platform but overall margins improved and overhead costs were well controlled. Margin pressure remains in what is a competitive area of the business but the Directors are confident that the more balanced distribution strategy will enable us to maintain margins and ensure the company is more resilient.

Overall growth in air passenger movements continues to be the catalyst for growth and for confidence in the future.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 January 2005:

B. Voller	(Deceased 7 May 2006)
B.G. Voller	
J.W. Voller	
C.B. Voller	
N.S. Izard	
N.J. Caunter	

Directors' interests

None of the directors had an interest in the shares of the company. The directors' interests as defined by the Companies Act 1985, in the shares of the parent company, Crawley Down Group Limited, as at 1 January 2005 and December 2005 are disclosed in the financial statements of that company.

Auditors

On 1 June 2006, Creaseys transferred their business to Creaseys LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company has given its consent to treating the appointment of Creaseys as extending to Creaseys LLP with effect from 1 June 2006. Accordingly a resolution for the re-appointment of Creaseys LLP as auditors will be put to the Annual General Meeting.

AIRPORT PARKING & HOTELS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 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;
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

On behalf of the board



13/09/06

AIRPORT PARKING & HOTELS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AIRPORT PARKING & HOTELS LIMITED

We have audited the financial statements of Airport Parking & Hotels Limited for the year ended 31 December 2005 set out on pages 5 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 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 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 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 consider the implications for our report if we become aware of any apparent misstatements within it.

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.

AIRPORT PARKING & HOTELS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF AIRPORT PARKING & HOTELS LIMITED

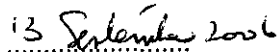
Opinion

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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Creaseys LLP

Chartered Accountants
Registered Auditor


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12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

AIRPORT PARKING & HOTELS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover	2	19,587,519	20,640,021
Cost of sales		(12,616,009)	(14,407,166)
Gross profit		6,971,510	6,232,855
Administrative expenses		(5,912,255)	(4,949,723)
Other operating income		99,291	-
Operating profit	3	1,158,546	1,283,132
Amounts written off investments	4	(100,000)	-
Interest payable and similar charges	5	(49,667)	(32,791)
Profit on ordinary activities before taxation		1,008,879	1,250,341
Tax on profit on ordinary activities	6	(336,521)	(386,578)
Profit for the year	15	672,358	863,763

The profit and loss account has been prepared on the basis that all operations are continuing operations.

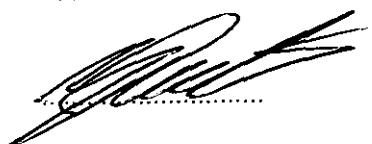
There are no recognised gains and losses other than those passing through the profit and loss account.

AIRPORT PARKING & HOTELS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	7	1,266,175		1,392,071	
Investments	8	452,154		-	
		<u>1,718,329</u>		<u>1,392,071</u>	
Current assets					
Debtors	9	3,032,725		653,084	
Cash at bank and in hand		4,133,832		5,478,349	
		<u>7,166,557</u>		<u>6,131,433</u>	
Creditors: amounts falling due within one year	10	(4,189,517)		(3,450,263)	
Net current assets		<u>2,977,040</u>		<u>2,681,170</u>	
Total assets less current liabilities		<u>4,695,369</u>		<u>4,073,241</u>	
Creditors: amounts falling due after more than one year	11	(13,083)		(63,313)	
Provisions for liabilities	12	(41,244)		(41,244)	
		<u>4,641,042</u>		<u>3,968,684</u>	
Capital and reserves					
Called up share capital	14	1,000		1,000	
Profit and loss account	15	4,640,042		3,967,684	
Shareholders' funds	16	<u>4,641,042</u>		<u>3,968,684</u>	

Approved by the Board and authorised for issue on 13/09/06



Director



Director

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	- 2% to 20% per annum straight line
Plant and equipment	- 10% per annum straight line
Office furniture	- 10% per annum straight line
Computer equipment	- 20% per annum straight line
Motor vehicles	- 15% to 25% per annum reducing balance
Coaches	- 15% to 20% per annum reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Pensions

The company operates defined contribution schemes for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. 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 the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. The deferred tax balance has not been discounted.

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation of tangible assets	214,553	184,274
Loss on disposal of tangible assets	-	2,500
Auditors' remuneration	12,000	11,000
and after crediting:		
Profit on disposal of tangible assets	(2,635)	-

4 Amounts written off investments	2005 £	2004 £
Amounts written off fixed asset investments:		
- temporary diminution in value	100,000	-

5 Interest payable	2005 £	2004 £
On amounts payable to group companies	38,472	26,100
On bank loans and overdrafts	2,007	306
Hire purchase interest	5,875	6,385
On overdue tax	3,313	-
	49,667	32,791

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

6	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	170,831	352,821
	Adjustment for prior years	-	(6,336)
	Payment in respect of group relief	165,690	15,538
		<hr/>	<hr/>
	Current tax charge	336,521	362,023
	Deferred tax		
	Deferred tax charge/credit current year	-	24,555
		<hr/>	<hr/>
		336,521	386,578
		<hr/>	<hr/>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,008,879	1,250,341
		<hr/>	<hr/>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004 - 30.00%)	302,664	375,102
		<hr/>	<hr/>
	Effects of:		
	Non deductible expenses	6,454	14,872
	Depreciation add back	93,575	56,032
	Capital allowances	(66,172)	(77,647)
	Adjustments to previous periods	-	(6,336)
		<hr/>	<hr/>
		33,857	(13,079)
		<hr/>	<hr/>
	Current tax charge	336,521	362,023
		<hr/>	<hr/>

A group subsidiary, Crawley Down Limited, has surrendered £67,482 (2004- £51,792) of taxable losses to the company via group relief for the year ended 31 December 2005. An amount of £18,607 (2004- £15,538) has been paid in respect of these losses.

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7 Tangible fixed assets

	Land and buildings Leasehold	Plant, equipment & fixtures	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2005	517,806	377,239	535,440	751,798	2,182,283
Additions	-	-	57,338	42,184	99,522
Disposals	-	-	-	(22,950)	(22,950)
At 31 December 2005	517,806	377,239	592,778	771,032	2,258,855
Depreciation					
At 1 January 2005	88,177	165,504	398,976	137,555	790,212
On disposals	-	-	-	(12,085)	(12,085)
Charge for the year	6,342	28,628	50,756	128,827	214,553
At 31 December 2005	94,519	194,132	449,732	254,297	992,680
Net book value					
At 31 December 2005	423,287	183,107	143,046	516,735	1,266,175
At 31 December 2004	429,629	211,735	136,464	614,243	1,392,071

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 December 2005	212,800
At 31 December 2004	266,000
Depreciation charge for the year	
At 31 December 2005	53,200
At 31 December 2004	20,000

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2005	-
Additions	552,154
At 31 December 2005	552,154
Provisions for diminution in value	
At 1 January 2005	-
Charge for the year	100,000
At 31 December 2005	100,000
Net book value	
At 31 December 2005	452,154

9 Debtors	2005 £	2004 £
Trade debtors	355,485	354,944
Amounts owed by parent and fellow subsidiary undertakings	2,292,988	76,755
Corporation tax	89,169	-
Other debtors	221,235	149,813
Prepayments and accrued income	73,848	71,572
	3,032,725	653,084

Amounts falling due after more than one year and included in the debtors above are:

	2005 £	2004 £
Amounts owed by group undertakings	2,253,809	76,755

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

10 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	166,667	-
Net obligations under hire purchase contracts	50,230	47,031
Trade creditors	1,634,595	1,418,396
Amounts owed to parent and fellow subsidiary undertakings	494,350	168,902
Corporation tax	-	142,821
Other taxes and social security costs	69,403	53,876
Other creditors	90,951	245,025
Accruals and deferred income	1,683,321	1,374,212
	<u>4,189,517</u>	<u>3,450,263</u>
11 Creditors: amounts falling due after more than one year	2005 £	2004 £
Net obligations under hire purchase contracts	<u>13,083</u>	<u>63,313</u>
Net obligations under hire purchase contracts		
Repayable within one year	50,230	52,907
Repayable between one and five years	16,118	66,133
	<u>66,348</u>	<u>119,040</u>
Finance charges and interest allocated to future accounting periods	(3,035)	(8,696)
	<u>63,313</u>	<u>110,344</u>
Included in liabilities falling due within one year	(50,230)	(47,031)
	<u>13,083</u>	<u>63,313</u>

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 January 2005 & at 31 December 2005	41,244

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	41,244	41,244

13 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	318,544	55,591

14 Share capital

Authorised

1,000 Ordinary shares of £1 each

2005 £	2004 £
1,000	1,000

Allotted, called up and fully paid

1,000 Ordinary shares of £1 each

2005 £	2004 £
1,000	1,000

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2005	3,967,684
Profit for the year	672,358
Balance at 31 December 2005	4,640,042

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

16 Reconciliation of movements in shareholders' funds	2005 £	2004 £
Profit for the financial year	672,358	863,763
Opening shareholders' funds	3,968,684	3,104,921
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>4,641,042</u>	<u>3,968,684</u>

17 Contingent liabilities

The company has by way of a composite guarantee, jointly secured the overdraft and loan facilities of all group undertakings. This facility is secured on the group's freehold properties. The amounts owed by the group under this guarantee at 31 December 2005 amounted to £8,570,642 (2004 - £8,566,778) in respect of total overdrafts and £5,939,803 (2004 - £4,851,519) in respect of total loans.

18 Financial commitments

At 31 December 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2006:

	Land and buildings	
	2005 £	2004 £
Operating leases which expire:		
Within one year	131,359	-
Between two and five years	-	131,359
	<u>131,359</u>	<u>131,359</u>

19 Directors' emoluments	2005 £	2004 £
Emoluments for qualifying services	<u>324,598</u>	<u>257,876</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004 - 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	220,479	149,544
Company pension contributions to money purchase schemes	<u>14,105</u>	<u>6,500</u>

Directors' emoluments are in respect of two directors only as the remuneration for the other directors was borne by the parent company, Crawley Down Group Limited for both the current and prior accounting period. It is not considered feasible to allocate these emoluments across the companies in the group.

AIRPORT PARKING & HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2005 Number	2004 Number
Office and management	22	20
Sales and distribution	126	128
	<u>148</u>	<u>148</u>

Employment costs

	2005 £	2004 £
Wages and salaries	3,229,096	2,770,538
Social security costs	321,954	272,403
Other pension costs	318,544	55,591
	<u>3,869,594</u>	<u>3,098,532</u>

21 Control

The parent company and controlling entity is Crawley Down Group Limited, a company which operates in the United Kingdom and which is registered in England and Wales. Copies of the parent company's accounts are available from Companies House, Crown Way, Maindy, Cardiff, Wales, CF4 3UZ.

22 Related party transactions

The company has taken advantage of the exemptions available in FRS 8 "Related Party Disclosures" not to disclose transactions between subsidiary companies where 90% or more of the voting rights are controlled within the group.

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	<u>41,244</u>	<u>41,244</u>