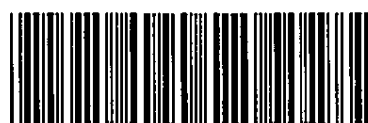


**IMPREGILO PARKING (GLASGOW)  
LIMITED**

**Report and Financial Statements**

**31 December 2007**

WEDNESDAY



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# **IMPREGILO PARKING (GLASGOW) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

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# **IMPREGILO PARKING (GLASGOW) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

G Catrini  
M J Folkard

### **COMPANY SECRETARY**

G Catrini

### **REGISTERED OFFICE**

85E Centurion Court  
Milton Park  
Abingdon  
Oxfordshire  
OX14 4RY

### **BANKERS**

The Royal Bank of Scotland Plc  
London Drummonds Branch  
49 Charing Cross  
London  
SW1A 2DX

### **SOLICITORS**

Eversheds LLP  
1 Callaghan Square  
Cardiff  
CF10 5BT

### **INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
The Atrium  
1 Harefield Road  
Uxbridge  
Middlesex UB8 1EX

# **IMPREGILO PARKING (GLASGOW) LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2007. This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### **PRINCIPAL ACTIVITIES**

The company's principal activity is the management of car parking facilities at Glasgow Royal Infirmary.

### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The results for the year are set out in detail on page 6.

The directors consider the future prospects of the company to be satisfactory.

The directors believe that preparing the accounts on the going concern basis is appropriate due to the actions taken to improve the performance of the company, the forecast long-term profitability of the project and the continued financial support of the ultimate parent company, Impregilo SpA.

### **RESULTS AND DIVIDENDS**

The company's loss for the financial year was £139,863 (2006 £607,027), which will be deducted from reserves.

The directors do not recommend the payment of a dividend (2006 £nil).

### **DIRECTORS**

The following directors held office during the year and up to the date of signing the financial statements:

G Comoretto (Resigned on 24 September 2007)

G Catrini (Appointed on 24 September 2007)

M J Folkard

### **FINANCIAL INSTRUMENTS POLICY**

The company's activities expose it primarily to the financial risks of changes in interest rates and movements in the Retail Price Index ("RPI"). The company uses interest rate and RPI swap contracts to hedge these exposures. The company does not use derivative financial instruments for speculative purposes.

### **AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS**

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

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (2) 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 s234ZA of the Companies Act 1985.

## IMPREGILO PARKING (GLASGOW) LIMITED

### DIRECTORS' REPORT

PricewaterhouseCoopers LLP have indicated their willingness to continue in the office as the company's auditors and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting

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



G Catrini  
Company Secretary  
Date 08/08/08

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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, in which case there should be supporting assumptions and qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

# IMPREGILO PARKING (GLASGOW) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMPREGILO PARKING (GLASGOW) LIMITED

We have audited the financial statements of Impregilo Parking (Glasgow) Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
West London

Date *15 August 2008*

# IMPREGILO PARKING (GLASGOW) LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2007

	Note	2007 £	2006 £
<b>TURNOVER</b>		1,365,168	1,165,231
Cost of sales		<u>(599,351)</u>	<u>(472,419)</u>
<b>GROSS PROFIT</b>		765,817	692,812
Administrative expenses		<u>(449,882)</u>	<u>(560,932)</u>
<b>OPERATING PROFIT</b>	2	315,935	131,880
Interest receivable and similar income	3	27	682
Interest payable and similar charges	4	<u>(774,881)</u>	<u>(739,589)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(458,919)	(607,027)
Tax on loss on ordinary activities	6	<u>319,056</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>	13	<u><u>(139,863)</u></u>	<u><u>(607,027)</u></u>

All activities derive from continuing operations

There have been no recognised gains and losses for the current or prior financial years other than as stated in the profit and loss account, therefore a statement of recognised gains and losses is not presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents



# IMPREGILO PARKING (GLASGOW) LIMITED

## BALANCE SHEET 31 December 2007

	Note	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	7	9,374,294	9,714,461
<b>CURRENT ASSETS</b>			
Debtors	8	349,171	290,005
Cash at bank and in hand		425,690	119,278
		774,861	409,283
<b>CREDITORS: amounts falling due within one year</b>	9	(1,122,328)	(918,887)
<b>NET CURRENT LIABILITIES</b>		(347,467)	(509,604)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,026,827	9,204,857
<b>CREDITORS: amounts falling due after more than one year</b>	10	(10,302,349)	(10,394,318)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	11	(53,802)	-
<b>NET LIABILITIES</b>		(1,329,324)	(1,189,461)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	1,000	1,000
Profit and loss account	13	(1,330,324)	(1,190,461)
<b>TOTAL EQUITY SHAREHOLDERS' DEFICIT</b>	13	(1,329,324)	(1,189,461)

These financial statements on page 6 to 14 were approved by the Board of Directors on  
Signed on behalf of the Board of Directors

  
M J Folkard  
Director

8 August 2008

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

### 1 ACCOUNTING POLICIES

#### Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### Turnover

Turnover represents revenue due from the management of the car park at Glasgow Royal Infirmary excluding VAT and is recognised at the point the service is provided. It includes both a fixed element invoiced monthly in advance and a variable element invoiced monthly in arrears.

The turnover and pre-tax loss, which arise in the United Kingdom, are attributable to the company's principal activity.

#### Tangible assets and depreciation

Tangible fixed assets are depreciated at cost in equal annual instalments over the estimated useful economic lives of the assets. Cost includes the original purchase price and the costs attributable to bringing the assets to working condition for its intended use. The rates of depreciation are as follows:

Freehold land & Buildings	-	30 years
Finance Cost	-	23.7 years (over the life of loan)

#### Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

#### Finance costs

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of these assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to make the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to make the asset ready for use are complete.

#### Cash flow statement

The company is not presenting a cash flow statement, in accordance with the exemption in FRS 1 (Revised 1996) - "Cash flow statements". The ultimate parent company has included a consolidated cash flow statement in the group financial statements.

# IMPREGILO PARKING (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

### 1. ACCOUNTING POLICIES (CONTINUED)

#### Derivative financial instruments

The company uses derivative financial instruments to manage its exposure to the financial risk of changes in interest rates and adverse movements in the Retail Price Index. The company does not hold or issue derivative financial instruments for speculative purposes. Gains and losses arising on these contracts are deferred and recognised in the profit and loss account only when gains and losses associated with the hedged transaction have themselves been reflected in the company's financial statements.

### 2. OPERATING PROFIT

	2007 £	2006 £
Operating profit is stated after charging		
Depreciation	340,167	340,166
Services provided by the company's auditors		
- fees payable for the audit	7,000	5,500
- fees payable for other services – tax services	2,000	2,000
	<u>          </u>	<u>          </u>

### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2007 £	2006 £
Bank interest receivable	<u>27</u>	<u>682</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Bank loans	617,353	601,764
Loans from group undertakings	<u>157,528</u>	<u>137,825</u>
	<u>774,881</u>	<u>739,589</u>

# IMPREGILO PARKING (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2007

### 5. DIRECTORS AND EMPLOYEES

The directors were the only employees of the company during the financial year and the prior financial year. The directors were remunerated by other group companies for their services to the group as a whole. It is not practicable to allocate their remuneration between services to the company and their services to other group companies.

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2007 £	2006 £
<b>Current tax</b>		
United Kingdom corporation tax		
Current tax on income for the year at 30% (2006 30%)	-	-
Group relief - current year	(56,498)	
- prior year	(316,360)	
<b>Total current tax</b>	<u>(372,858)</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences (Note 11)	53,802	-
<b>Tax (credit)/charge on loss on ordinary activities</b>	<u>(319,056)</u>	<u>-</u>

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

	£	£
Loss on ordinary activities before tax	<u>(458,919)</u>	<u>(607,027)</u>
Loss on ordinary activities multiplied by the standard rate in the UK of 30% (2006 30%)	137,676	182,108
<b>Factors affecting credit for the period</b>		
Prior year adjustment	316,360	-
Depreciation in excess of capital allowance	10,919	(96,375)
Tax losses not recognised	-	(85,733)
Expenses not deductible	<u>(92,097)</u>	<u>-</u>
<b>Current tax credit for period</b>	<u>372,858</u>	<u>-</u>

Effective 1 April 2008, the applicable rate of UK corporation tax will be 28%.

Should the company become profitable in the future, the availability of tax losses carried forward should have the effect of reducing the effective tax rate.

In 2006 the company had an unrecognised deferred tax asset. It is now in a deferred tax liability position (see Note 11).

# IMPREGILO PARKING (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

	2007	2006
	£	£
Trading losses carried forwards	-	357,941
Accelerated capital allowances	-	(1,593)
Short-term timing differences	-	(128,005)
	<u>-</u>	<u>(128,005)</u>
Unrecognised deferred tax asset	-	228,343
	<u>-</u>	<u>228,343</u>

### 7. TANGIBLE ASSETS

	Freehold land and buildings £
<b>Cost</b>	
At 1 January and 31 December 2007	10,196,364
<b>Accumulated depreciation</b>	
At 1 January 2007	481,903
Charge for the year	340,167
	<u>822,070</u>
At 31 December 2007	
<b>Net book amount</b>	
At 31 December 2007	<u>9,374,294</u>
At 31 December 2006	<u>9,714,461</u>

Cumulative finance costs capitalised included in the cost of tangible fixed assets amount to £452,501 (2006 £452,501)

### 8. DEBTORS

	2007	2006
	£	£
Trade debtors	273,822	228,543
Prepayments and other debtors	75,349	61,462
	<u>349,171</u>	<u>290,005</u>

# IMPREGILO PARKING (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Bank loan	91,969	52,554
Trade creditors	117,435	173,282
Amounts owed to group undertaking	742,680	484,372
Taxation and social security	38,928	36,266
Accruals and deferred income	131,316	172,413
	<u>1,122,328</u>	<u>918,887</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

### 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £	2006 £
Bank loans	8,508,376	8,600,345
Amounts owed to group undertaking	1,793,973	1,793,973
	<u>10,302,349</u>	<u>10,394,318</u>

Bank loans are repayable as follows

	£	£
Within one year	91,969	52,554
Between one and two years	96,348	91,969
Between two and five years	328,459	289,044
After five years	8,083,569	8,219,332
	<u>8,600,345</u>	<u>8,652,899</u>

The bank loans are secured against the assets of the company. Interest is charged at 6.99% including margin. The loans are repayable by instalments ending in June 2029.

Interest charges on amounts shown are based on floating LIBOR. The company has entered into a interest rate swap agreement whereby it pays a fixed rate of 5.67% plus margin per annum in respect of amounts drawn under the facility. The swap expires on 30 June 2029.

The fair value of the swap at 31 December 2007 was £678,580 (2006 £758,866).

Amounts owed to group undertakings are unsecured and interest is charged at 8.86% (2006 8.43%).

# IMPREGILO PARKING (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

### 11. PROVISIONS FOR LIABILITIES AND CHARGES

	£
<b>Deferred taxation</b>	
1 January 2007	-
Charged to the profit and loss account (Note 6)	53,802
31 December 2007	<u>53,802</u>

The amounts of deferred taxation provided in the financial statements are as follows

	2007 £	2006 £
Capital allowances in excess of depreciation	1,810	-
Short term timing differences	111,046	-
Losses unutilized	(59,054)	-
	<u>53,802</u>	<u>-</u>

### 12. CALLED UP SHARE CAPITAL

	2007 £	2006 £
<b>Authorised, allotted and fully paid</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 13. COMBINED STATEMENT OF MOVEMENTS ON RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	Share capital £	Profit and loss account £	Total 2007 £	2006 £
Balance at 1 January	1,000	(1,190,461)	(1,189,461)	(582,434)
Loss for the year	-	(139,863)	(139,863)	(607,027)
Balance at 31 December	<u>1,000</u>	<u>(1,330,324)</u>	<u>(1,329,324)</u>	<u>(1,189,461)</u>

### 14. DERIVATIVE FINANCIAL INSTRUMENTS

The company holds swap contracts to hedge its exposure to adverse movements in the Retail Price Index ("RPI") The fair value of the swaps at 31 December 2007 was £1,381,039 (2006 £820,697)

Details of the interest rate swaps held are given in Note 10

### 15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided in Financial Reporting Standard 8, and not disclosed transactions with group companies of which the group owns more than 90% of the voting rights, and which are eliminated on consolidation

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2007**

**16. ULTIMATE PARENT UNDERTAKING**

The directors consider that the immediate parent company is Impregilo International Infrastructures NV, a company registered in Holland

The ultimate parent company and controlling party is Impregilo SpA, a company registered in Italy

Impregilo SpA is the parent of the largest and smallest group of which the company is a member and for which consolidated accounts are prepared

Copies of the financial statements of the above companies are available from 85E Centurion Court, Milton Park, Abingdon, Oxfordshire, OX14 4RY