

**IMPREGILO
PARKING (GLASGOW)
LIMITED**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS**

For the year ended 31 December 2016

Company Registration No. 04531874



IMPREGILO PARKING (GLASGOW) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016

DIRECTORS

G. Catrini

M. Villa

COMPANY SECRETARY

T. Mehmood

REGISTERED OFFICE

85E Park Drive
Milton Park, Abingdon
Oxfordshire
OX14 4RY

BANKER

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

SOLICITOR

Eversheds LLP
1 Callaghan Square, Cardiff
CF10 5BT

AUDITOR

KPMG LLP (UK)
Arlington Business Park
Theale
Reading
RG7 4SD

IMPREGILO PARKING (GLASGOW) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016

CONTENTS

	Page
DIRECTORS' REPORT	2
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS	3
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPREGILO PARKING (GLASGOW) LIMITED	4
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME	5
BALANCE SHEET	6
STATEMENT OF CHANGES IN EQUITY	7
NOTES	8

IMPREGILO PARKING (GLASGOW) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The company is engaged in a thirty one year Private Finance Initiative (PFI) contract with the NHS Greater Glasgow and Clyde Health Board for the development and management of car parking facilities at Glasgow Royal Infirmary Hospital.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

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

The company is exempt from the requirement to prepare a strategic report.

During the year 2014 the company renewed its car park management agreement with its subcontractor for further 10 years. Under the new contract the management fee has been reduced followed by a 2% increase each year. As per the new contract the company is also sharing one third of receipts from penalty enforcement notices issued. A revised tariff agreed with the board was implemented as at 15th August 2016, resulting in the increase of staff tariff and public tariff. This tariff revision resulted in the increase of total revenue and the company has shown profit of £62K as compare to last year of £14K.

The directors consider future prospects of the company to be satisfactory and believe that preparing the financial statements on the going concern basis is appropriate.

RESULTS AND DIVIDENDS

The company's profit for the financial year was £62,103 (2015: £14,350 profit). The directors do not recommend the payment of a dividend (2015: £ Nil).

DIRECTORS

Unless otherwise stated, the following directors held office during the year and up to the date of signing the financial statements:

G. Catrini M. Villa

THIRD PARTY INDEMNITY PROVISION

The company has made third party indemnity provisions for the benefit of its directors and these remain in force at the date of this report.

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. No recharge is made in respect of their services.

The Company made no political donations or incurred any political expenditure during the year.

DISCLOSURE OF INFORMATION TO AUDITOR

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

so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

During the year KPMG LLP have indicated their willingness to continue in office. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.



T. Mehmood
Company Secretary
85E Park Drive
Milton Park, Abingdon
Oxfordshire
OX14 4RY

IMPREGILO PARKING (GLASGOW) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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 AUDITOR'S 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 2016, set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit, of the financial statements and from reading the strategic report and directors' report:

- We have not identified material misstatements in those reports; and
- In our opinion, those reports have been prepared in accordance with the companies act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to not prepare a strategic report in accordance with the small companies regime.



Robert Fitzpatrick

Senior Statutory Auditor

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Arlington Business Park

Theale

Reading

RG7 4SD

Date: 2 May 2017

IMPREGILO PARKING (GLASGOW) LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
TURNOVER	2	2,111,144	2,011,785
Cost of Sales		(876,762)	(863,413)
GROSS PROFIT		1,234,382	1,148,372
Administrative expenses		(508,771)	(470,205)
OPERATING PROFIT	3	725,611	678,167
Interest receivable and similar income	4	2,681	2,981
Interest payable and similar charges	5	(590,324)	(598,202)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		137,968	82,946
Tax on profit on ordinary activities	7	(75,865)	(68,596)
PROFIT FOR THE FINANCIAL YEAR		62,103	14,350
OTHER COMPREHENSIVE INCOME			
Effective portion of changes in fair value of cash flow hedges	11	(773,771)	838,048
OTHER COMPREHENSIVE INCOME FOR THE YEAR		(773,771)	838,048
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(711,668)	852,398

The notes on pages 8 to 13 form an integral part of the financial statements

IMPREGILO PARKING (GLASGOW) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible Assets	8	<u>6,312,795</u>	<u>6,652,961</u>
CURRENT ASSETS			
Debtors	9	117,276	107,030
Cash at bank and in hand		<u>807,442</u>	<u>799,272</u>
		<u>924,718</u>	<u>906,302</u>
CREDITORS : Amounts falling due within one year	10	<u>(1,277,389)</u>	<u>(1,343,894)</u>
NET CURRENT LIABILITIES		<u>(352,671)</u>	<u>(437,592)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,960,124	6,215,369
CREDITORS : Amounts falling due after more than one year	11	<u>(12,552,969)</u>	<u>(12,090,139)</u>
DEFERRED TAX LIABILITIES	12	<u>(55,235)</u>	<u>(61,642)</u>
NET LIABILITIES		<u>(6,648,080)</u>	<u>(5,936,412)</u>
CAPITAL AND RESERVES			
Called up share capital	13	1,000	1,000
Hedging reserve	14	(3,792,185)	(3,018,414)
Profit and loss account		<u>(2,856,895)</u>	<u>(2,918,998)</u>
SHAREHOLDERS' DEFICIT		<u>(6,648,080)</u>	<u>(5,936,412)</u>

The notes on pages 8 to 13 form an integral part of the financial statements

These financial statements were approved by the board of directors on 21/5/2017 and were signed on its behalf by


G. Catrim
Director

IMPREGILO PARKING (GLASGOW) LIMITED
Company Registration No. 04531874

IMPREGILO PARKING (GLASGOW) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up Share capital	Hedging reserve	Profit and loss account	Total equity
	£	£	£	£
Balance at 1 January 2015	1,000	(3,856,462)	(2,933,348)	(6,788,810)
Profit for the Year	-	-	14,350	14,350
Change in value of cash flow hedges	-	838,048	-	838,048
Total comprehensive income for the year	-	838,048	14,350	852,398
Balance at 31 December 2015	1,000	(3,018,414)	(2,918,998)	(5,936,412)
Balance at 1 January 2016	1,000	(3,018,414)	(2,918,998)	(5,936,412)
Profit for the Year	-	-	62,103	62,103
Change in value of cash flow hedges	-	(773,771)	-	(773,771)
Total comprehensive income for the year	-	(773,771)	62,103	(711,668)
Balance at 31 December 2016	1,000	(3,792,185)	(2,856,895)	(6,648,080)

The notes on pages 8 to 13 form an integral part of the financial statements

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

1 ACCOUNTING POLICIES

Impregilo Parking (Glasgow) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Salini Impregilo SpA (a company incorporated in Italy) includes the Company in its consolidated financial statements the accounts of which can be obtained from the address in note 15. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of a Cash Flow Statement and related notes.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £352,671 which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on its parent company Impregilo International Infrastructures N.V. The company has received undertakings from Impregilo International Infrastructures N.V, for at least 12 months from the date of approval of these financial statements, that they will not call for the repayment of the short term intercompany balance and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue to trade for the foreseeable future by meeting its liabilities as and when they become due. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if such funds were not available.

Foreign currency

Transactions in foreign currencies are translated to the Group company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account except for differences arising on the retranslation of qualifying cash flow hedges and items which are fair valued with changes taken to other comprehensive income, which are recognised in other comprehensive income.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other financial instruments

Financial instruments not considered to be basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

1 ACCOUNTING POLICIES CONTINUED

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

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. Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in profit or loss. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

If hedge accounting is discontinued and the hedged financial asset or liability has not been derecognised, any adjustments to the carrying amount of the hedged item are amortised into profit or loss using the effective interest method over the remaining life of the hedged item.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in Other comprehensive income. Any ineffective portion of the hedge is recognised immediately in profit or loss.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in OCI is included in the initial cost or other carrying amount of the asset or liability. Alternatively when the hedged item is recognised in profit or loss the hedging gain or loss is reclassified to profit. When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

Tangible Fixed Assets

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

Buildings	30 years
-----------	----------

Depreciation is charged to the profit and loss account over the useful life of the building.

Employee

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. No recharge is made in respect of their services.

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 at the start of the month and a variable element invoiced monthly in arrears at the end of each month. The turnover and pre-tax loss, which arise in the United Kingdom, are attributable to the company's principal activity.

Expenses

Interest payable and similar charges include interest payable on loans. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset/are expensed as incurred.

Other interest receivable and similar income include interest receivable on funds invested, interest income and interest payable are recognised in profit or loss as they accrue.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

1 ACCOUNTING POLICIES CONTINUED

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

2 TURNOVER

Public Revenue

Staff Permits

Total Turnover

2016 £	2015 £
1,053,762	989,125
1,057,382	1,022,660
2,111,144	2,011,785

3 EXPENSES AND AUDITOR'S REMUNERATION

Included in the profit are the following

Depreciation

Services provided by the company's auditors:

Fees payable for the audit

KPMG LLP

Fees payable for non audit services

KPMG

340,166	340,166
6,900	6,900
-	-

4 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Interest on bank deposits

Total interest receivable and similar income

2016 £	2015 £
2,681	2,981
2,681	2,981

5 INTEREST PAYABLE AND SIMILAR CHARGES

Interest and fees on bank loan

Interest on loan from group undertaking

2016 £	2015 £
524,138	531,663
66,186	66,539
590,324	598,202

6 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. No recharge is made in respect of their services.

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
7 TAXATION			
Total tax expense recognised in the profit and loss account:			
Current Taxation			
Current tax on income for the year		82,272	67,125
Total Current tax		82,272	67,125
Deferred Taxation			
Origination and reversal of timing differences	12	(6,407)	1,472
Tax on Profit on Ordinary Activities		75,865	68,596
		2016 £	2015 £
Reconciliation of effective rate tax:			
Profit for the year		62,103	14,350
Total tax expense		75,865	68,596
Profit before tax		137,968	82,946
Profit on ordinary activities multiplied by the standard rate in the UK 20% (2015 : 20.25%)		27,594	16,796
Factors affecting credit for the year:			
Deferred tax recognised		(6,407)	1,472
Expenses not deductible		54,678	50,328
Total tax charge for the year		75,865	68,596

Factors that may affect future tax changes

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current and deferred tax charge accordingly.

8 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings 2016 £	Freehold Land & Buildings 2015 £
Costs		
Balance at 1 January	10,196,364	10,196,364
Additions	-	-
Balance at 31 December	10,196,364	10,196,364
Accumulated Depreciation		
Balance at 1 January	3,543,403	3,203,237
Charge for the year	340,166	340,166
Balance at 31 December	3,883,569	3,543,403
Net Book Value		
At 1 January	6,652,961	6,993,127
At 31 December	6,312,795	6,652,961

Cumulative finance costs capitalised and included in the cost of tangible fixed assets amount to £452,501 (2015: £452,501). The company has taken advantage of the provision available to grandfather current accounting on transition under FRS102 and has not changed the accounting treatment adopted for tangible fixed assets under old UK GAAP.

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
9 DEBTORS			
Trade debtors		108,342	98,503
Prepayments and accrued income		8,934	8,527
		<u>117,276</u>	<u>107,030</u>
		2016 £	2015 £
10 CREDITORS: Amount falling due within one year			
Bank loans and overdrafts		310,941	267,146
Trade creditors		44,554	41,564
Amounts owed to group undertakings		607,011	743,713
Accruals and deferred income		232,611	224,346
Corporation tax		82,272	67,125
		<u>1,277,389</u>	<u>1,343,893</u>
Amounts owed to group undertakings are unsecured, interest free and repayable on demand.			
		2016 £	2015 £
11 CREDITORS: Amount falling due after more than one year			
Bank loans and overdrafts	11.1	6,966,811	7,277,752
Amount owed to group undertakings	11.2	1,793,973	1,793,973
Fair Value of Swaps		3,792,185	3,018,414
		<u>12,552,969</u>	<u>12,090,139</u>
		2016 £	2015 £
11.1 Bank loans are repayable as follows:			
Within one year		310,941	267,146
Between one and two years		359,115	310,941
Between two and five years		1,182,452	1,059,827
After more than five years		5,425,244	5,906,984
		<u>6,966,811</u>	<u>7,277,752</u>
		<u>7,277,752</u>	<u>7,544,898</u>
The bank loans are secured against the assets of the company and interest is charged at average rate of 2.03% (2015: average rate 1.91%) 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 interest rate swap agreements whereby it pays a fixed rate of 5.67% plus margin per annum in respect of amounts drawn under the facilities. The swaps expire on 30 June 2029.			
11.2	Amounts owed to group undertakings are unsecured and interest is charged at six month LIBOR plus 3%, average rate for the year is 3.69% (2015: average rate 3.71%). Amount owed to the group undertaking as subordinated loan will be repaid at the end of the contract.		
		2016 £	2015 £
12 DEFERRED TAX			
Balance at 1 January		61,642	60,170
Movement in Year		(6,407)	1,472
Balance at 31 December		<u>55,235</u>	<u>61,642</u>
ASSETS AND (LIABILITIES)			
Capital Allowance		(1,048)	(1,139)
Deemed Service Premium Relief (DSLPR)-Qualifying Element		3,061	2,917
Deductable Capitalised interest		(57,248)	(63,420)
Unrelieved tax losses		-	-
		<u>(55,235)</u>	<u>(61,642)</u>

IMPREGILO PARKING (GLASGOW) LIMITED

NOTES

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
13 CAPITAL AND RESERVES		
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted and fully paid		
1000 ordinary shares of £1 each	1,000	1,000

14 FINANCIAL INSTRUMENTS

Impregilo Parking Glasgow Ltd activities exposes it to the financial risks of changes in interest rate and the movements in the Retail Price Index (RPI). As part its Risk management strategy the company has identified, measured and managed these risk as follows.

Interest Rate Swaps

The risk of variability in cash flows due to changes in interest rate (hedged item) has been managed through an Interest rate swap agreement (hedging instrument) under which the company pays fixed rate of 5.67% plus margin per annum. The swap agreement will expire in June 2029. The financial instrument has been valued at fair value. The company has checked the effectiveness of the hedge to follow the hedge accounting. Hedge effectiveness has been found highly effective therefore change in the fair value of the hedging instrument has been recognised through the other comprehensive income.

The fair value of the swaps at 31 December 2016: £2,466,280 was negative £ (2015: negative £2,206,099).

RPI Rate Swaps

The risk of variability in cash flows due to changes in inflation (hedged item) has been managed through a RPI swap agreement (hedging instrument). The swap agreement will expire in June 2029. The financial instrument has been valued at fair value. The company has checked the hedge effectiveness to follow the hedge accounting. Hedge effectiveness has been found highly effective therefore change in the fair value of the hedging instrument has been recognised through the comprehensive income statement.

The company's source of income is contractually linked to movements in the Retail Price Index. 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 2016: £1,325,905 was negative £ (2015: negative £812,315).

15 ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Impregilo International Infrastructures NV, a company registered in the Netherlands.

The largest group in which the results of the company are consolidated is that headed by Salini Impregilo SpA a company registered in Italy. The consolidated accounts of this company are available to the public and may be obtained from 85E Park Drive, Milton Park, Abingdon, Oxfordshire, OX14 4RY, United Kingdom.