

Mailbox (Car Park) Limited

Report and Financial Statements

Year Ended

31 December 2015

Company Number 08316559

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Mailbox (Car Park) Limited

Company Information

Directors	A Wright M Marks
Registered number	08316559
Registered office	89 Wardour Street London W1F 0UB
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU

Mailbox (Car Park) Limited

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Mailbox (Car Park) Limited

Directors' Report For the Year Ended 31 December 2015

The Directors present their annual report and the financial statements of Mailbox (Car Park) Limited for the year ended 31 December 2015.

The Company was incorporated in the United Kingdom and established on 3 December 2012. It is governed by the Companies Act 2006.

Principal activity

The Company's principal activity is the operation and management of car parks.

Ultimate controlling parties

The Company is ultimately controlled by Brockton Capital Fund II GP (Guernsey) Limited, the General Partner of Brockton Capital Fund II (Scotland) L.P., the General Partner of Brockton Capital Fund II L.P.

Results and dividends

The results for the year are shown in the Statement of Comprehensive Income on page 5.

The Directors do not recommend the payment of a dividend (2014: £Nil).

Directors

The Directors who served during the year were:

A Wright
R Buck (resigned 31 August 2016)

On 31 August 2016 M Marks was appointed as a Director of the Company.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved have confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, BDO LLP, have expressed their willingness to continue in office and will be proposed for reappointment in accordance with the Companies Act 2006.

In preparing this Directors' Report advantage has been taken of the small companies' exemption.

This report was approved by the Board on 29 September 2016 and signed on its behalf.



M MARKS
Director

Mailbox (Car Park) Limited

Directors' Responsibilities Statement

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 the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards as adopted by the EU 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.

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 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.

Mailbox (Car Park) Limited

Independent Auditor's report to the members of Mailbox (Car Park) Limited

We have audited the financial statements of Mailbox (Car Park) Limited for the year ended 31 December 2015 which comprise of the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors

As explained more fully in the Directors' Responsibilities Statement, 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 Financial Reporting Council's (FRC'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 FRC's website 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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Mailbox (Car Park) Limited

Independent Auditor's report to the members of Mailbox (Car Park) Limited

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 prepare the Directors' Report in accordance with the small companies regime and to the exemption from the requirement to prepare a Strategic Report.

BDO LLP

Paul Bailey (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
London
United Kingdom

30 September 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Mailbox (Car Park) Limited

Statement of Comprehensive Income For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Revenue	4	2,565,321	2,255,437
Other property operating expenses	5	(2,272,559)	(2,022,976)
Gross profit		292,762	232,461
Administrative expenses	6	(22,088)	(9,036)
Operating profit		270,674	223,425
Finance income	7	852	760
Finance costs	8	-	(67)
Profit on ordinary activities before taxation		271,526	224,118
Taxation on profit on ordinary activities	9	(55,051)	(48,200)
Profit and total comprehensive income for the year		216,475	175,918

All results shown in the Statement of Comprehensive Income are from continuing operations.

All profit and total comprehensive income are attributable to the equity holders of the Company.

The notes on pages 9 to 22 form part of these financial statements.

Mailbox (Car Park) Limited

Registered number: 08316559

Statement of Financial Position As at 31 December 2015

	Note	As at 31 December 2015 £	As at 31 December 2014 (notes 2.1 and 21) £	As at 1 January 2014 (notes 2.1 and 21) £
Assets				
Current assets				
Trade and other receivables	10	1,074,779	783,070	444,847
Cash and cash equivalents		16,769	356,594	-
Total assets		1,091,548	1,139,664	444,847
Liabilities				
Current liabilities				
Trade and other payables	11	411,447	680,381	103,005
Income tax payable		24,489	20,146	78,623
Total liabilities		435,936	700,527	181,628
Net assets		655,612	439,137	263,219
Equity attributable to equity holders of the Company				
Share capital	13	1	1	1
Retained earnings		655,611	439,136	263,218
Total equity		655,612	439,137	263,219

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on *29 September 2016*.

.....*M Marks*.....

M MARKS

Director

The notes on pages 9 to 22 form part of these financial statements.

Mailbox (Car Park) Limited

Statement of Changes in Equity As at 31 December 2015

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	1	439,136	439,137
Comprehensive income for the year			
Profit for the year	-	216,475	216,475
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	216,475	216,475
Total contributions by and distributions to owners	-	-	-
Balance at 31 December 2015	1	655,611	655,612

Statement of Changes in Equity As at 31 December 2014

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	1	263,218	263,219
Comprehensive income for the year			
Profit for the year	-	175,918	175,918
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	175,918	175,918
Total contributions by and distributions to owners	-	-	-
Balance at 31 December 2014	1	439,136	439,137

The notes on pages 9 to 22 form part of these financial statements.

Mailbox (Car Park) Limited

Statement of Cash Flows For the Year Ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	216,475	175,918
Adjustments for:		
Finance costs	-	67
Finance income	(852)	(760)
Increase in trade and other receivables	(291,710)	(338,223)
(Decrease)/increase in trade and other payables	(348,933)	461,046
Taxation	55,051	48,200
Income tax paid	(50,708)	(106,678)
Net cash (used in) / generated from operating activities	(420,677)	239,570
Cash flows from financing activities		
Loans received from Group undertakings (net)	80,000	116,330
Loans to Group undertakings (net)	-	1
Interest paid	-	(67)
Interest received	852	760
Net cash generated from financing activities	80,852	117,024
Net (decrease) / increase in cash and cash equivalents	(339,825)	356,594
Cash and cash equivalents at beginning of year	356,594	-
Cash and cash equivalents at the end of year	16,769	356,594
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	16,769	356,594

The notes on pages 9 to 22 form part of these financial statements.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

1. General information

The Company was incorporated on 3 December 2012 and is domiciled and registered as a limited company in the United Kingdom. It is wholly owned subsidiary of Mailbox (Birmingham) Limited, which is ultimately owned by Brockton Capital Fund II L.P.

2. Accounting policies

The financial statements of the Company have been prepared in accordance with the Companies Act 2006 and International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and as adopted by the European Union.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

The principal accounting policies adopted in these financial statements are set out below:

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis.

The Company adopted International Financial Reporting Standards as adopted by the EU ("IFRSs") for the first time in the current year. The transition date to IFRSs was 1 January 2014, being the start of the prior period of accounts.

The accounting policies described in note 2 were applied when preparing the opening IFRS Statement of Financial Position at the transition date and the Statement of Comprehensive Income, Statement of Financial position and Statement of Changes in Equity from the transition date to 31 December 2015. Note 21 presents the effect of IFRS adoption for the Statement of Financial Position and reconciliation of equity, for the Statement of Comprehensive Income and reconciliation of profit, for the Statement of Cash Flows, and changes in accounting policies. In preparing its opening IFRS Statement of Financial Position and adjusting amounts reported previously in accordance with UK GAAP the Company has applied IFRS 1 which contains a number of voluntary exemptions and mandatory exceptions from the requirement to apply IFRS retrospectively.

2.2 Going concern

The financial statements have been prepared on the going concern basis. After making enquiries and taking into consideration the profitability, net current assets and net assets position of the Company, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.3 Changes in accounting policy and disclosures

New and amended standards adopted by the EU

The following standards and amendments have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2015:

- Annual Improvements to IFRSs – 2010-2012 Cycle and 2011 – 2013 Cycle;
- Defined Benefit Plans: Employee Contributions – Amendments to IAS 19.

The adoption of these amendments did not have any impact on the financial statements of the Company for the current year or any prior period and is not likely to affect future periods.

New and revised standards and interpretations issued by the IASB but not yet adopted by the EU

A number of new standards and amendments to standards and interpretations are effective for annual years beginning on or after 1 January 2015 as issued by the IASB but they have not yet been adopted by the EU. Accordingly they have not been applied in preparing these financial statements. These new standards and interpretations are as follows:

- IFRS 9 Financial Instruments;
- IFRS 14 Regulatory Deferral Accounts;
- IFRS 15 Revenue from Contracts with Customers;
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception.

The Company is assessing the impact of the new standards and interpretations above but none of these are expected to have a significant effect on the financial statements of the Company.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.4 Revenue

Revenue comprises of car park fees, net of value added tax, which are charged to the customer and recognised over the period for which car parking services are provided.

2.5 Segmental information

The Company's activities consist solely of car park operation and management in the United Kingdom.

2.6 Trade and other receivables

Trade receivables are recognised at their original invoiced value. Where the time value of money is material, receivables are subsequently measured at amortised cost. A provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held at call and short notice with banks with original maturity of less than 90 days.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.8 Fair value estimations

The Company measures certain financial instruments at fair value at the end of each reporting year. In addition, the fair value of financial instruments measured at amortised cost are disclosed in the financial statements.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants, acting in their economic best interest, at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company must be able to access the principle or the most advantageous market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs significant to the fair value measurement as a whole. The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

Fair value estimations (continued)

Inputs used in determining fair value measurement are categorised into different levels based on how observable the inputs used are:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

2.9 Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and are initially recognised at fair value and subsequently measured at amortised cost.

2.10 Finance income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.11 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in other comprehensive income or equity - in which case, the tax is also recognised in other comprehensive income or equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the Statement of Financial Position.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the Statement of Financial Position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Company is registered in the United Kingdom and is subject to local taxation at the standard rate of 20%.

2.12 Other financial assets and liabilities

Other financial assets and liabilities are initially recognised at fair value plus (financial assets) / less (financial liabilities) directly attributable transaction costs. They are subsequently measured at amortised cost. Their book values approximate their amortised cost values, and their amortised cost values approximate their fair values.

2.13 Leased assets: lessee

All leases are treated as operating leases. Their annual rentals are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

2.14 Functional currency

The Company's financial statements are presented in pounds sterling, which is also the Company's functional currency.

3. Critical accounting estimates and judgements

There are no particular critical accounting estimates and judgements involved in the preparation of the financial statements.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

4. Revenue

	2015 £	2014 £
Rental income - Car park	<u>2,565,321</u>	<u>2,255,437</u>

All revenue arose within the United Kingdom.

5. Other property operating expenses

	2015 £	2014 £
Rent	1,545,828	1,439,297
Non-recoverable service charge	408,898	458,594
Rates	68,689	-
Management fees	13,500	22,500
Provision for bad debts	(115)	-
Other property costs	235,759	102,585
	<u>2,272,559</u>	<u>2,022,976</u>

6. Administrative expenses

Operating profit is stated after charging:

	2015 £	2014 £
Bank charges	391	230
Accountancy fees	10,197	8,806
Other costs	11,500	-
	<u>22,088</u>	<u>9,036</u>

Included in the above are auditor fees of £5,000 (2014: £5,000).

7. Finance income

	2015 £	2014 £
Bank interest	<u>852</u>	<u>760</u>

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

8. Finance cost

	2015 £	2014 £
Bank loan fees	-	67

9. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	55,081	48,200
Prior year over provision for tax	(30)	-
Total taxation charge for the year	55,051	48,200

Factors affecting tax charge for the year

The tax on the Company's profit differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Company as follows:

	2015 £	2014 £
Profit on ordinary activities before tax	271,526	224,118
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	54,974	48,200
Effects of:		
Non-taxable items	2,435	-
Capital allowances for year in excess of depreciation	(2,328)	-
Prior year over provision	(30)	-
Total tax charge for the year	55,051	48,200

There are no deferred tax balances at 31 December 2015 (2014: £Nil).

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

10. Trade and other receivables

	2015 £	2014 £
Trade receivables	-	3,638
Other receivables	409,476	344,650
Prepayments and accrued income	572,998	434,782
VAT receivable	92,305	-
	<u>1,074,779</u>	<u>783,070</u>

11. Trade and other payables

	2015 £	2014 £
Trade payables	28,660	11,400
Advances from parent company	196,330	116,330
VAT payable	-	387,448
Other payables	133,600	165,203
Accrued expenditure	52,857	-
	<u>411,447</u>	<u>680,381</u>

Trade payables are non-interest bearing and are normally settled on 30 day terms.

Advances from parent company relates to advances provided to the Company by Mailbox (Birmingham) Limited, the Company's immediate parent.

12. Financial risk management objectives and policies

The Company's principal financial liabilities are advances from the parent company. The Company has other receivables and trade and other payables that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Market risk

The Company does not have any exposure to foreign currencies and therefore is not exposed to foreign exchange risk.

The Company is not exposed to commodity or security price risk.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

Financial risk management objectives and policies (continued)

Interest rate risk

The Company is not exposed to interest rate risk.

Credit risk

The Company is not exposed to credit risk.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of parent company advances.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted cash flows:

Financial assets

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2015					
Trade and other receivables	-	982,474	-	-	982,474
Cash and cash equivalents	16,769	-	-	-	16,769
Total assets	16,769	982,474	-	-	999,243

Financial liabilities

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2015					
Trade and other payables	196,330	215,117	-	-	411,447
Total liabilities	196,330	215,117	-	-	411,447

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

Financial risk management objectives and policies (continued)

Financial assets

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2014					
Trade and other receivables	-	783,070	-	-	783,070
Cash and cash equivalents	356,594	-	-	-	356,594
Total assets	356,594	783,070	-	-	1,139,664

Financial liabilities

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2014					
Trade and other payables	116,330	176,603	-	-	292,933
Total liabilities	116,330	176,603	-	-	292,933

Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying amount 2015 £	Fair value 2015 £
Financial assets		
Trade and other receivables	982,474	982,474
Cash and cash equivalents	16,769	16,769
Financial liabilities		
Trade and other payables	411,447	411,447

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

Financial risk management objectives and policies (continued)

	Carrying amount 2014 £	Fair value 2014 £
Financial assets		
Trade and other receivables	783,070	783,070
Cash and cash equivalents	356,594	356,594
	<u> </u>	<u> </u>
Financial liabilities		
Trade and other payables	292,933	292,933
	<u> </u>	<u> </u>

The Directors assessed that the fair value of cash and short-term deposits, rent and other receivables, trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments. These are classified in Level 1 of the fair value hierarchy.

13. Share capital

	2015 £	2014 £
Authorised, issued and fully paid		
1 ordinary share of £1	1	1
	<u> </u>	<u> </u>

14. Reserves

A description of the Company's reserves are as follows:

Share capital - The share capital reserve represents the nominal value of the shares issued.

Retained earnings - The retained earnings reserve represents cumulative profit and losses, net of dividends paid and other adjustments.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

15. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Included in trade and other payables (note 11) is the advance received from the parent company, which the Company considers subordinated to all the liabilities and manages it as capital.

The Directors monitor capital on the basis of the net assets attributable to the owners of the parent.

16. Contingent liabilities

The lease granted by Mailbox (Birmingham) Limited to the Company in relation to the car park at the property The Mailbox, Birmingham, is secured by a Fixed and Floating charge in favour of the immediate parent undertaking's financiers, Aareal Bank AG and Pramerica Real Estate Capital A Sarl.

17. Commitments under operating leases - Company as lessee

	2015 £	2014 £
Lease payments under operating leases recognised as an expense in the year	<u>1,545,828</u>	<u>1,439,297</u>

At the reporting date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	1,994,928	1,994,928
In the second to fifth years inclusive	7,976,436	7,980,804
After five years	25,837,321	27,837,601
	<u>35,808,685</u>	<u>37,813,333</u>

Operating lease payments represent the rent payable by the Company for the lease of the car park granted to it by its parent company.

Mailbox (Car Park) Limited

Notes to the Financial Statements For the Year Ended 31 December 2015

18. Related party transactions

Mailbox (Birmingham) Limited, a Guernsey registered company, is the immediate parent and sole owner of the issued share capital of the Company.

As at 31 December 2015, an intercompany payable of £196,330 (2014: £116,330) was due to Mailbox (Birmingham) Limited. In addition, the Company accrued for rent top-up expenses of £126,314 (2014: £22,976) payable to Mailbox (Birmingham) Limited as at 31 December 2015.

During the year, the Company was charged an amount of £1,545,828 (2014: £1,439,297) for rent and £408,898 (2014: £458,594) for service charge by Mailbox (Birmingham) Limited.

19. Ultimate parent undertaking and controlling party

In the opinion of the Directors the ultimate parent undertaking and controlling party is Brockton Capital Fund II GP (Guernsey) Limited, the General Partner of Brockton Capital Fund II (Scotland) L.P., the General Partner of Brockton Capital Fund II L.P.

20. Subsequent events

There were no material events subsequent to the year end that are required to be disclosed.

21. First time adoption of IFRS

The policies applied under the entity's previous accounting framework are not materially different to IFRS and have not impacted on equity or profit or loss.