Indigo Park Services UK Limited

Annual Report and Financial Statements

Registered number 02362957

31 December 2016

Contents

Strategic Report	1
Directors' Report	3
Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements	4
Independent Auditor's report to the members of Indigo Park Services UK Limited	5
Profit and Loss Account and Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes	10

Strategic Report

The directors' of Indigo Park Services UK Limited (the "Company") present their annual report and audited financial statements for the year ended 31 December 2016.

Principal activity and business review

The principal activity of the Company during the period was the provision of services in the car parking market, including operating car parks on behalf of clients, providing car parking enforcement services, operating the Company's own leased and concession car parks, and providing services ancillary to car parking.

Revenues and costs were derived from the provision of the services outlined above. The Company charged clients management fees for the provision of car park management or car parking enforcement services and derived revenue from tariff income from its own leased and concession car parks. Revenue was also derived from ancillary services.

The Company is a subsidiary undertaking of Infra Foch Topco SAS, a company incorporated in France.

The results for the year are set out on page 7 and the Company's financial position at the year end is set out on page 8.

Key performance indicators

The directors consider that client-driven KPIs under management and service contracts and measurement of traffic volumes against business plan under lease and concession contracts to be the key non-financial KPIs. The key financial KPIs are considered to be turnover and gross profit. These have performed as follows during the year:

	2016 £	2015 £	Change %
Turnover	24,070,752	23,056,291	+ 4.4%
Gross profit	2,405,666	4,070,901	- 39.2%
Debtor turnover	68 days	78 days	- 12.8%
Creditor turnover	21 days	45 days	- 54.2%

Revenue increased due to the net gain of contracts. Increased staff costs and bid costs in 2016 have contributed to decreased profitability.

Risks and uncertainties

The main risks facing the Company are that a) performance standards (client-driven KPIs) are not met under management or service contracts and that resulting contractual penalties reduce revenue, b) traffic volumes do not meet the business plan on leased and concession contracts and c) contracts are not won or renewed at a rate exceeding that at which they expire.

The Company's activities also expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks.

Cash flow risk
Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk
The Company's principal financial assets are bank balances and cash, trade and other debtors.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Strategic Report *(continued)*

Credit risk *(continued)*
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk
To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of long-term and short-term debt finance.

Other matters

As at 31 December 2016 the business was funded by a formalised cash pooling facility put in place on 14 April 2014, with other fellow subsidiary companies within the Indigo UK group of companies.

Future developments

The directors expect the general level of activity to remain consistent with 2016 in the forthcoming year. This is as a result of the expected value of contract renewals being similar to the anticipated value of contract losses.

By order of the board

G Pickard

Gary Pickard
Director
Date: 28/04/2017

Oak House
Reeds Crescent
Watford
Hertfordshire
WD24 4QP

Directors' Report

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

Results

The results for the year are set out on page 7, and the Company's financial position at the year end is set out on page 8. The profit for the financial year amounted to £265,804 (2015: £1,205,713).

Political contributions

The Company did not make any political contributions or incur any political expenditure during the year *(2015: £nil).*

Dividends

The directors do not recommend the payment of a dividend *(2015: £nil).*

Directors

The directors who held office during the year were as follows:

P. D. Herring
G. C. Pickard
W. D. C. Thierry

Equal opportunities

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Company's policy, wherever practicable, to provide continuing employment under normal terms and conditions and it is the Company's policy to provide training, career development and promotion to disabled employees wherever appropriate.

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and the Company magazine. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. A selection of of employees receive an annual bonus related to the overall profitability of the Company.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information needed by the Company's auditors in connection with preparing the report of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Constantin will therefore continue in office.

In accordance with section 414C of the Companies Act 2006 the following details are discussed in the Strategic report:

- Future developments
- Financial risk exposure
- Financial risks and management objectives

By order of the board

GCPickard

Gary Pickard
Director
Date: 28/04/ 2017

Oak House
Reeds Crescent
Watford
Hertfordshire
WD24 4QP

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 FRS 101 *Reduced Disclosure Framework.*

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 year. In preparing these 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, and accordingly the auditors accept no responsibility for the information provided there. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's report to the members of Indigo Park Services UK Limited

We have audited the financial statements of Indigo Park Services UK Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework.

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 on page 4, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 United Kingdom 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Independent Auditor's report to the members of Indigo Park Services UK Limited
(continued)

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.

Alex Legon, FCA (Senior Statutory Auditor)
for and on behalf of Constantin
Date: 2017

2 8 APR 2017

Chartered Accountants and Statutory Auditors
25 Hosier Lane
London
EC1A 9LQ

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	**24,070,752**	23,056,291
Cost of sales		**(21,665,086)**	(18,985,390)
Gross profit		**2,405,666**	4,070,901
Administrative expenses		**(3,159,267)**	(2,884,326)
Reversal of impairment of Investment		**200,000**	-
Other operating income	6	**785,659**	273,782
Operating profit		**232,058**	1,460,357
Interest receivable and similar income	9	**329,236**	393,745
Interest payable and similar expenses	10	**(279,003)**	(216,430)
Profit before taxation		**282,291**	1,637,672
Tax on profit	11	**(16,487)**	(431,959)
Profit for the financial year		**265,804**	1,205,713
Total other comprehensive income for the year			
Actuarial (loss)/gain recognised	19	**(298,740)**	89,711
Deferred tax on actuarial gains/(loss) recognised		**49,918**	(19,678)
Total other comprehensive income for the year, net of income tax		**(248,822)**	70,033
Total comprehensive income for the year		**16,982**	1,275,746

All transactions arise from continuing operations.

The notes of pages 10 to 31 form part of these financial statements.

Balance Sheet
At 31 December 2016

	Note	2016 £	Restated 2015 £
Fixed assets			
Tangible assets	12	**3,067,846**	3,611,294
Investments	14	**853,430**	653,430
Intangible assets	13	**1,037,941**	1,087,402
		4,959,217	5,352,126
Current assets			
Debtors (including £60,803 (2015: £61,453) due after more than one year)	16	**12,151,389**	9,889,392
Cash and cash equivalents		**7,958,573**	3,869,768
		20,109,962	13,759,160
Creditors: amounts falling due within one year	17	**(19,009,376)**	(13,260,763)
Net current assets		**1,100,586**	498,395
Total assets less current liabilities		**6,059,803**	5,850,523
Creditors: amounts falling due after more than one year	18	**(223,745)**	(65,971)
Provisions	21	**(399,870)**	(365,346)
Net assets		**5,436,188**	5,419,206
Capital and reserves			
Called up share capital	20	**5,000,000**	5,000,000
Profit and loss account		**756,180**	490,376
Actuarial gains and losses		**(319,992)**	(71,170)
Shareholders' funds		**5,436,188**	5,419,206

The notes on pages 10 to 31 form part of these financial statements.

These financial statements were approved by the board of directors on 28/04/2017 and were signed on its behalf by:

G Pickard

Gary Pickard
Director

Company registered number: 02362957

Statement of Changes in Equity
At 31 December 2016

	Called up share capital £	Profit and Loss Account £	Actuarial gains and losses £	Total shareholders' funds £
Balance at 1 January 2016	**5,000,000**	**490,376**	**(71,170)**	**5,419,206**
Profit for the year	-	265,804	-	265,804
Other comprehensive income	-	-	(248,822)	(248,822)
Total comprehensive income for the year	-	265,804	(248,822)	16,982
Balance at 31 December 2016	**5,000,000**	**756,180**	**(319,992)**	**5,436,188**

	Called up share capital £	Profit and Loss Account £	Actuarial gains and losses £	Total shareholders' funds £
Balance at 1 January 2015	**5,000,000**	**(715,337)**	**(141,203)**	**4,143,460**
Profit for the year	-	1,205,713	-	1,205,713
Other comprehensive income	-	-	70,033	70,033
Total comprehensive income for the year	-	1,205,713	70,033	1,275,746
Balance at 31 December 2015	**5,000,000**	**490,376**	**(71,170)**	**5,419,206**

The notes of pages 10 to 31 form part of these financial statements.

Notes

1 General information

Indigo Park Services UK Limited is a private company incorporated, domiciled and registered in England in the United Kingdom. The registered number is 02362957 and the registered address is Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4QP, United Kingdom.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

The Company is exempt by virtue of s400, subject to the small companies regime, of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

2 Accounting policies

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the Company operates.

The Company's ultimate parent undertaking, Infra Foch Topco SAS includes the Company in its consolidated financial statements. The consolidated financial statements of Infra Foch Topco SAS are available to the public and may be obtained from Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4QP.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of Infra Foch Topco SAS include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

Notes *(continued)*

2 Accounting policies *(continued)*

2.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments, financial instruments classified as fair value through the profit or loss or as available-for-sale, and investment property. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future and meet its liabilities as they fall due. The Company is party to a formalised cash pooling facility dated 14 April 2014 and so shares banking arrangements and available funds with its parent and fellow subsidiaries.

A combination of the following factors mean that the directors have a reasonable expectation that the Company has adequate resources to continue for the foreseeable future and, accordingly, consider that it is appropriate to adopt the going concern basis in preparing the financial statements:

- the level of the Company's forecast operating cash flows; and
- the aforementioned cash pooling facility providing adequate funds

2.3 Turnover

Turnover represents the total amount receivable in the ordinary of business for goods and services provided and excludes value added tax. In the case of contract parking, income is recognised on a time apportioned basis with that in advance being carried forward as deferred income.

Turnover comprises:

- Turnover generated by car parks and concessions, and ancillary income such as fees for the use of commercial installations, and rental advertising space; and
- Turnover from ancillary activities.

Turnover from ancillary activities mainly comprises rental income and fees other than those generated by concession operators.

2.4 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies 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, which are recognised in other comprehensive income.

Notes *(continued)*

2 Accounting policies *(continued)*

2.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets are deducted. The Company determines the net interest on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability.

2.6 Expenses

Interest receivable and interest payable

Interest payable and similar expenses include interest payable, finance expense on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the Profit and Loss Account (see foreign currency accounting policy).

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. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the Profit and Loss Account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Operating lease payments

Payments made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Profit and Loss Account as an integral part of the total lease expense.

2.7 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, in which case it is recognised in equity.

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.

Deferred tax is provided on material temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Balance Sheet date.

Notes *(continued)*

2 Accounting policies *(continued)*

2.7 Taxation *(continued)*

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Group relief

The Company and its fellow group undertakings are able to relieve their tax losses by surrendering them to other group companies where capacity to utilise those losses exists. There is an agreement between members of this group that such losses will be paid for by the recipient Company at 100% of the tax value. Where there is reasonable certainty that taxable losses can be relieved, the group relief receivable or payable is included in the taxation charge or credit for the period and the corresponding intercompany receivable or payable is recognised in the statement of financial position.

2.8 Tangible assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

• Motor vehicles	3-5 years
• Leasehold property	Over remaining life of the lease
• Operational equipment	The shorter of 10 years and remaining life of the related contract
• IT and office equipment	5-7 years or remaining life of the related contract if shorter

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

2.9 Intangible assets

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Computer software	5 years

2.10 Investments

Investments in subsidiaries are stated at cost less provision for impairment in value.

Notes *(continued)*

2 Accounting policies *(continued)*

2.11 Impairment excluding stocks, investment properties and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes *(continued)*

2 Accounting policies *(continued)*

2.12 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

2.13 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in trade and other debtors, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less impairment.

2.14 Derivative financial instruments and hedging

Derivative financial instruments

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 (see below).

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 the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the profit and loss account.

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 the profit and loss account. 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 profit and loss account, even if those gains would normally be recognised directly in reserves.

Notes *(continued)*

2 Accounting policies *(continued)*

2.15 Money held on behalf of clients

From time to time the Company receives money from or on behalf of a client ("Client Money"). These funds are paid into a general interest bearing client account with our bank. Interest is accounted for on Client Money to such extent as it is fair and reasonable to do so in all the circumstances in order to achieve a fair outcome for both the client and ourselves. Money held in a client account is immediately available, even at the sacrifice of interest, unless the client otherwise instructs, or the circumstances clearly indicate otherwise.

3 Accounting estimates and judgements

The preparation of financial statements under the FRS101 requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

Measurement of financial instruments at fair value

Fair value is determined on the basis of the following three models or levels:

- Level 1: quoted prices on an active market: whenever quoted prices on an active market are available, these are used in priority to determine fair value. Marketable securities and some listed bond loans are measured in this way.
- Level 2: internal model using internal measurement techniques with observable factors: these techniques use the usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.), traded on markets is made on the basis of models commonly used by market participants to price such financial instruments. Every quarter, the internally calculated values of derivative instruments are checked for consistency with the values sent to us by the counterparties.
- Level 3: internal model using non-observable factors: this model applies only for holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment, relate in particular to the assessment of market prospects needed to estimate the cash flows, and discount rates adopted. Any change in assumptions could have a material effect on the recoverable amount and could entail a change in the impairment losses to recognise.

The factors that materially influence the amount of provisions relate to:

- The forecasts of expenditures on major maintenance over several years used as a basis for the provisions for the obligation to maintain the condition of infrastructure under concession. These forecasts are estimated taking account of indexation clauses included in construction and civil engineering contracts;
- The estimates of forecast profit or loss on operation of the car parking facilities, which serve as a basis for the determination of onerous contracts, recognising the shortfall of forecast income below rentals and other costs over the life of the lease; and
- The discount rates used to determine the present value of these provisions.

Notes *(continued)*

4 Turnover

	2016	2015
	£	£
Turnover from car park operations in the UK	**24,070,752**	23,056,291

5 Expenses and auditor's remuneration

	2016	2015
	£	£
Profit for the year has been arrived at after charging the following:		
Depreciation of tangible fixed assets	**1,055,395**	1,037,758
Amortisation of intangible assets	**375,899**	302,666
Operating lease expenditure – other assets	**1,813,241**	1,135,490
Operating lease expenditure – plant and machinery	**12,043**	9,200

Auditors remuneration:

	2016	2015
	£	£
Auditors' remuneration:		
Audit of these financial statements	**56,200**	55,000

Additional audit fees of £44,000 were borne by this Company and not recharged to fellow subsidiary companies *(2015: £43,000).*

6 Other operating income

	2016	2015
	£	£
Services re-charged to clients as disbursements	**785,659**	273,782

Notes *(continued)*

7 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2016	2015
Office management	**49**	50
Site operations	**703**	876
	752	926

	2016	2015
	£	£
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	**18,908,586**	17,537,195
Social security costs	**1,523,090**	1,420,717
Contributions to pension plans	**387,398**	400,072
	20,819,074	19,357,984

8 Directors' remuneration

	2016	2015
	£	£
Directors' emoluments	**322,104**	337,208
Company contributions to pension plans	**5,500**	5,500
	327,604	342,708

The aggregate of emoluments of the highest paid director was £171,383 *(2015: £184,584)* and Company pension contributions of £nil *(2015: £nil)* were made to a money purchase scheme on his behalf.

	Number of directors	
	2016	2015
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	**1**	1

Notes *(continued)*

9 Interest receivable and similar income

Recognised in the Profit and Loss account:

	2016 £	2015 £
Bank interest income	**9,502**	6,465
Interest receivable from group undertakings	**147,561**	207,741
Interest income on defined benefit pension plan (see note 19)	**165,456**	172,482
Interest receivable	**6,717**	7,057
Total interest receivable and similar income	**329,236**	393,745

10 Interest payable and similar expenses

	2016 £	2015 £
Bank interest expense	**-**	584
Interest payable on cash pool facility	**112,621**	34,188
Interest payable on pension liabilities (see note 19)	**165,772**	181,658
Other interest	**610**	-
Total interest payable and similar expenses	**279,003**	216,430

Notes *(continued)*

11 Taxation

Recognised in the Profit and Loss account

	2016 £	2015 £
Current tax (credit)/expense		
Current year	**17,505**	265,249
Adjustments in respect of prior years	**(42,523)**	218,233
Current tax (credit)/expense	**(25,018)**	483,482
Deferred tax expense/(credit)		
Origination and reversal of temporary differences	**24,323**	109,986
Effect of tax rate change on opening balance	**17,182**	48,771
Adjustments in respect of prior years	**-**	(210,280)
Deferred tax credit	**41,505**	(51,523)
Tax expense in Profit and Loss account	**16,487**	431,959

Recognised in Other Comprehensive Income

	2016 £	2015 £
Deferred tax (see note 15)		
Origination and reversal of temporary differences	**(49,918)**	19,678
Total deferred tax	**(49,918)**	19,678

Notes *(continued)*

11 Taxation *(continued)*

Current tax reconciliation

The current tax charge for the year is different than the standard rate of corporation tax in the UK of 20% *(2015: 20.25%)*. The differences are explained below.

	2016	2015
	£	£
Profit for the year	**265,804**	1,205,713
Total tax expense	**16,487**	431,959
Profit excluding taxation	**282,291**	1,637,672
Tax using the UK corporation tax rate of 20% *(2015: 20.25%)*	**56,458**	331,572
Fixed assets temporary differences	**29,661**	33,171
Income not taxable	**(40,000)**	(1,339)
Non-deductible expenses	**1,022**	29,528
Adjustments to current tax in respect of prior periods	**(42,523)**	218,233
Adjustments to deferred tax in respect of prior periods	**-**	(210,280)
Effect of changes in tax rate	**11,869**	31,074
Total tax expense	**16,487**	431,959

Factors that may affect future current and total tax charges:

The Finance (No. 2) Act 2015 which was published on 18 November 2015 includes legislation reducing the main rate of UK corporation tax from 20% to 19% with effect from 1 April 2017, with a further reduction to 18% with effect from 1 April 2020. The Finance Act 2016 which was published on 15 September 2016 announced a further reduction to 17% with effect from 1 April 2020. These reductions have been enacted at the balance sheet date and have been reflected in the deferred tax recognised on the balance sheet.

Deferred tax has only been recognised to the extent that there is a reasonable expectation that the asset can be utilised in the immediately foreseeable future.

Notes *(continued)*

12 Tangible fixed assets

	Leasehold property	Motor vehicles	IT and office equipment	Operational equipment	Total
Cost	£	£	£	£	£
Balance at 1 January 2016	1,288,760	1,007,978	3,277,948	3,054,276	8,628,962
Additions and transfers	53,780	107,169	242,109	205,899	608,957
Disposals	-	(72,233)	(108,562)	(2,446)	(183,241)
Balance at 31 December 2016	**1,342,540**	**1,042,914**	**3,411,495**	**3,257,729**	**9,054,678**
Depreciation					
Balance at 1 January 2016	832,213	548,989	2,339,369	1,297,097	5,017,668
Depreciation charge for the year	119,810	151,342	326,572	457,671	1,055,395
Disposals	-	(66,876)	(18,622)	(733)	(86,231)
Balance at 31 December 2016	**952,023**	**633,455**	**2,647,319**	**1,754,035**	**5,986,832**
Net book value					
At 31 December 2015	456,547	458,989	938,579	1,757,179	3,611,294
At 31 December 2016	**390,517**	**409,459**	**764,176**	**1,503,694**	**3,067,846**

13 Intangible assets

	Assets Under Construction	Computer Software	Total
Cost			
Balance at 1 January 2016	210,399	1,544,128	1,754,527
Additions	-	536,836	536.836
Disposals	-	(6,075)	(6,075)
Transfers to fixed assets	(210,399)	-	(210,399)
Balance at 31 December 2016	-	2,074,889	2,074,889
Amortisation			
Balance at 1 January 2016	-	667,124	667,124
Additions	-	375,899	375,899
Disposals	-	(6,075)	(6,075)
Balance at 31 December 2016	-	**1,036,948**	**1,036,948**
Net Book Value			
31 December 2015	210,399	877,004	1,087,402
31 December 2016	-	**1,037,941**	**1,037,941**

Notes *(continued)*

14 Fixed asset Investments

	Shares in group undertakings £
Cost	
Balance at 1 January	4,793,832
Balance at 31 December	4,793,832
Impairment	
Balance at 1 January	4,140,402
Reversal of past impairment	(200,000)
Balance at 31 December	3,940,402
Net book value	
At 31 December 2015	653,430
At 31 December 2016	**853,430**

The Company has the following investments in subsidiaries:

	Registered office address	Class of shares held	Ownership 2016	2015
Karspace Management Limited	Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4QP, United Kingdom	Ordinary	**100%**	100%
Indigo Park Solutions UK Limited	Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4QP, United Kingdom	Ordinary	**100%**	100%

The reporting date of subsidiaries is the 31 December.

In accordance with the Company's accounting policy, the carrying value of the Company's investment in Indigo Park Solutions UK Limited was compared to its recoverable amount. As a result £200,000 of the impairment has been released. In addition, the Company's investment in Karspace Management Limited was compared to its recoverable amount. As a result its investment has been impaired by £nil (2015: £nil).

Notes *(continued)*

15 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2016	2015	**2016**	2015	**2016**	2015
	£	£	**£**	£	**£**	£
Fixed assets	**255,897**	297,403	**-**	-	**255,897**	297,403
Employee benefits	**61,793**	11,875	**-**	-	**61,793**	11,875
Net tax assets	**317,690**	309,278	**-**	-	**317,690**	309,278

Movement in deferred tax during the year 2016

	1 January 2016	Recognised in income	Recognised in equity	31 December 2016
	£	**£**	**£**	**£**
Fixed assets	**297,403**	**(41,506)**	**-**	**255,897**
Employee benefits	**11,875**	**-**	**49,918**	**61,793**
	309,278	**(41,506)**	**49,918**	**317,690**

Movement in deferred tax during the year 2015

	1 January 2015	Recognised in income	Recognised in equity	31 December 2015
	£	£	£	£
Fixed assets	221,478	75,925	-	297,403
Employee benefits	55,955	(24,402)	(19,678)	11,875
	277,433	51,523	(19,678)	309,278

Deferred tax has only been recognised to the extent that there is a reasonable expectation that the asset can be utilised in the immediate foreseeable future.

Notes *(continued)*

16 Debtors

	2016 £	2015 £
Trade and other debtors	**4,485,465**	4,954,084
Amounts owed by group undertakings	**790,671**	764,547
Other debtors	**3,052**	17,426
Taxation and social security	**222,246**	183,467
Prepayments and accrued income	**1,935,620**	2,230,178
Deferred tax	**317,690**	309,278
Corporation tax	**4,335,842**	1,368,959
Due within one year	**12,090,586**	9,827,939
Due after more than one year	**60,803**	61,453
	12,151,389	9,889,392

All amounts owed by group undertakings are repayable on demand.

17 Creditors: amounts falling due one within year

	2016 £	Restated 2015 £
Trade creditors	**1,218,495**	2,364,498
Other creditors	**1,146,624**	538,413
Taxation and social security	**439,121**	412,339
Amounts owed to group undertakings	**9,701,411**	3,628,711
Accruals and deferred income	**4,701,444**	4,696,816
Client accounts	**1,530,411**	1,338,895
Corporation tax	**271,870**	281,091
	19,009,376	13,260,763

All amounts owed to group undertakings are repayable on demand.

18 Creditors: amounts falling after more than one year

	2016 £	Restated 2015 £
Employee benefits (see note 19)	**223,745**	65,971

Notes *(continued)*

19 Employee benefits

Pension plans

Defined contribution pension scheme

The assets of the defined contribution scheme are held in separate trustee-administered funds. The Company made contributions of £164,177 *(2015: £128,680)* into the defined contribution scheme during the year. At 31 December 2016 there was £nil outstanding *(2015: £nil)*.

Defined benefit pension scheme

The Company operates a defined benefit scheme for certain employees, the TFM Pension Scheme ("TFM") which is closed to new members. The scheme was subject to a full actuarial valuation as at 31 December 2012. The results of this have been rolled forward under IAS 19 to reflect the position as at 31 December 2016.

	2016	2015
	£	£
Present value of funded defined benefit obligations	**(5,349,745)**	(4,085,062)
Fair value of plan assets	**5,126,000**	4,418,000
Net (deficit)/surplus	**(223,745)**	332,938
Limit applied to assets	**-**	(398,909)
Recognised deficit for defined benefit surplus	**(223,745)**	(65,971)

Notes *(continued)*

19 Employee benefits *(continued)*

	2016	2015
	£	£
Movements in present value of defined benefit obligation		
At 1 January	**4,085,062**	3,974,569
Current service cost	**22,895**	32,994
Interest cost	**151,012**	159,410
Actuarial and experience losses	**1,150,412**	(26,962)
Contributions by members	**3,828**	3,936
Benefits paid	**(63,464)**	(58,885)
At 31 December	**5,349,745**	4,085,062

	2016	2015
	£	£
Movements in fair value of plan assets		
At 1 January	**4,418,000**	4,250,600
Expected return on plan assets	**165,456**	172,482
Actuarial gains/(losses)	**438,003**	(116,793)
Contributions by employer	**164,177**	166,660
Contributions by members	**3,828**	3,936
Benefits paid	**(63,464)**	(58,885)
At 31 December	**5,126,000**	4,418,000

Expense recognised in the income statement:

	2016	2015
	£	£
Current service cost	**22,895**	32,994
Interest cost on defined benefit pension plan obligation	**151,012**	159,410
Interest cost on irrecoverable surplus	**14,760**	22,248
Interest income on defined benefit pension plan assets	**(165,456)**	(172,482)
Total	**23,211**	42,170

Expense recognised in other comprehensive income:

	2016	2015
	£	£
Actuarial (loss)/gain on defined benefit pension scheme	**(298,740)**	89,712
Total	**(298,740)**	89,712

Notes *(continued)*

19 Employee benefits *(continued)*

The expense is recognised in the following line items in the profit and loss account:

	2016 £	2015 £
Administrative expenses	**22,895**	32,994
Financial expense	**165,772**	181,658
Financial income	**(165,456)**	(172,482)
	23,211	42,170

The fair value of the plan assets and the return on those assets were as follows:

	2016 Fair value £	2015 Fair value £
Equities	**2,563,000**	2,209,000
Government and Corporate bonds	**2,563,000**	2,209,000
	5,126,000	4,418,000
Actual return on plan assets	**603,459**	55,689

Principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	2016 %	2015 %
Discount rate	**2.25**	3.7
Expected rate of return on plan assets	**3.75**	4.1
Future salary increases	**3.60**	3.7
Long term inflation	**3.20**	3.2

In valuing the liabilities of the pension fund at 31 December 2016, mortality assumptions have been made as indicated below. If life expectancy had been changed to assume that all members of the fund lived for one year longer, the value of the reported liabilities at 31 December 2016 would have increased by £nil before deferred tax.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

- Current pensioner aged 65: 21.4 years (male), 23.6 years (female).
- Future retiree upon reaching 65: 22.7 years (male), 25.0 years (female).

Notes *(continued)*

19 Employee benefits *(continued)*

History of plans

The history of the plans for the current and prior periods is as follows:

Balance sheet	2016 £	2015 £
Present value of the defined benefit obligation	**(5,349,745)**	(4,085,062)
Fair value of plan assets	**5,126,000**	4,418,000
(Deficit)/surplus	**(223,745)**	332,938

Experience adjustments	2016 £/%	2015 £/%
Experience adjustments on plan liabilities /also as a percentage of plan liabilities	**1,150,412/ 28.1**	(26,962)/(0.7)
Experience adjustments on plan assets/ also as a percentage of plan assets	**438,003/ (9.9)**	(116,793)/2.6

The Company expects to contribute approximately £165,000 to its defined benefit plans in the next financial year.

20 Called up share capital

	2016 £	2015 £
Allotted, called up and fully paid		
5m ordinary shares of £1 each:	**5,000,000**	5,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes *(continued)*

21 Provisions

	Dilapidations provision £	Litigation provision £	Total £
Balance at 1 January 2016	264,416	100,930	365,346
Provisions made during the year	34,524	-	34,524
Balance at 31 December 2016	**298,940**	**100,930**	**399,870**
Current	**136,400**	**100,930**	**237,330**
Non-Current	**162,540**	**-**	**162,540**

Dilapidations provision

Dilapidation provisions are made in respect of leased and other premises where there is an obligation to reinstate assets at the end of associated contracts. Amounts are assessed by management based on historical data and valuations.

Litigation provision

Litigation provisions are made in respect of known claims and valued at the likely outcome. All amounts are expected to be settled within one year.

22 Financial instruments

Categories of financial instruments held at fair value

The Company has no financial assets or liabilities measured at fair value through profit or loss.

The Company has the following financial assets and liabilities measured at fair value and held for trading:

	2016 £	2015 £
Financial assets		
Amounts owed by group companies - current	**790,671**	764,547
Financial liabilities		
Creditors: amounts falling due within one year	**(19,009,376)**	(13,260,763)

Notes *(continued)*

22 Financial instruments *(continued)*

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of standard trade receivables and payables are determined with reference to the probable cash flows that will arise in settlement of these items.
- 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 (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- 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.

23 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Land and buildings 2016 £	**Other 2016 £**	Land and buildings 2015 £	Other 2015 £
Less than one year	**1,203,514**	**9,773**	1,112,848	10,477
Between two and five years	**3,923,066**	**6,444**	4,233,073	16,161
More than five years	**804,000**	**-**	1,528,333	-
	5,930,580	**16,217**	6,874,254	26,638

During the year £1,825,284 was recognised as an expense in the income statement in respect of operating leases *(2015: £1,144,690).*

24 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Infra Foch Topco SAS, which is the ultimate parent company incorporated in France. Infra Foch Topco SAS is the controlling party of the largest and smallest group of which the Company is a member and for which group financial statements are prepared.

The consolidated financial statements of these groups are available to the public and may be obtained from Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4QP.