Indigo Infra Holdings UK Limited

Annual Report and Financial Statements

Registered number 02659311

31 December 2017

Contents

Directors' Report

The directors of Indigo Infra Holdings UK Limited (the "company") present their annual report and audited financial statements for the year ended 31 December 2017.

Principal activity and business review

The principal activity of the company during the year was that of a holding company.

The company is a wholly owned subsidiary of Infra Foch Topco SAS, a company incorporated in France.

Results

The results for the year are set out on page 7, and the company's Balance Sheet at the year end is set out on page 8. The loss for the financial year amounted to £222,637 (2016: £258,270).

Political contributions

The company did not make any political or charitable donations or incur any political expenditure during the year *(2016: £nil)*.

Dividends

The directors do not recommend the payment of a dividend *(2016: £nil)*.

Directors

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

P. D. Herring
G. C. Pickard
W. D. C. Thierry
G. M. H. Mattlinger

Qualifying third party indemnity

Certain directors benefited from the third party indemnity provisions in place during the financial year and the date of this report.

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.

Directors' Report *(continued)*

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.

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.

Future developments

The directors expect the general level of activity to remain the same in the forthcoming year. This is as a result of the company continuing to operate as a holding company.

Strategic Report

The directors have not prepared a strategic report as the company is entitled to the special provisions applicable to companies subject to the small companies regime within part 15 of the Companies Act 2006.

Other matters

The business was funded by a formalised cash pooling facility as at 31 December 2017, which was put in place on 14 April 2014 with other fellow subsidiary companies within the Indigo Park UK group of companies.

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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

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

By order of the board

G Pickard

Gary Pickard
Director
Date: 17/05/2018

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 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 Infra Holdings UK Limited

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Indigo Infra Holdings UK Limited (the 'Company') 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 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Independent Auditor's Report to the members of Indigo Infra Holdings UK Limited
(continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Independent Auditor's Report to the members of Indigo Infra Holdings UK Limited
(continued)

Report on other legal and regulatory requirements

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Alex Legon, FCA, (Senior Statutory Auditor)
for and on behalf of Constantin, Chartered Accountants and Statutory Auditor

25 Hosier Lane
London
EC1A 9LQ
Date:

17 MAY 2018

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2017

	Note	**2017** **£**	2016 £
Administrative expenses		-	(24)
Operating profit/(loss)		-	(24)
Interest payable and similar expenses	6	**(275,712)**	(322,816)
Loss before taxation		**(275,712)**	(322,840)
Tax on loss	7	**53,075**	64,570
Loss for the financial year		**(222,637)**	(258,270)
Total other comprehensive expense for the year, net of income tax		-	-
Total comprehensive expense for the year		**(222,637)**	(258,270)

All transactions arose from continuing operations.

The notes of pages 10 to 22 form part of these financial statements.

Balance Sheet
At 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	8	**28,697,242**	28,697,242
Current assets			
Debtors	9	**53,077**	64,569
Creditors: amounts falling due within one year	10	**(14,102,799)**	(7,891,654)
Net current liabilities		**(14,049,722)**	(7,827,085)
Total assets less current liabilities		**14,647,520**	20,870,157
Creditors: amounts falling due after more than one year	11	**-**	(6,000,000)
Net assets		**14,647,520**	14,870,157
Capital and reserves			
Called up share capital	13	**11,000,000**	11,000,000
Profit and loss account		**3,647,520**	3,870,157
Shareholders' funds		**14,647,520**	14,870,157

The notes on pages 10 to 22 form part of these financial statements.

These financial statements were approved by the board of directors on 17/05/18 and were signed on its behalf by:

G Pickard

Gary Pickard
Director

company registered number: 02659311

Statement of Changes in Equity
At 31 December 2017

	Called up share capital £	Profit and Loss Account £	Total shareholders' funds £
Balance at 1 January 2016	**11,000,000**	**4,128,427**	**15,128,427**
Total comprehensive expense for the year			
Loss for the year	-	(258,270)	(258,270)
Total comprehensive expense for the year	-	(258,270)	(258,270)
Balance at 31 December 2016	**11,000,000**	**3,870,157**	**14,870,157**

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
Balance at 1 January 2017	**11,000,000**	**3,870,157**	**14,870,157**
Total comprehensive expense for the year			
Loss for the year	-	(222,637)	(222,637)
Total comprehensive expense for the year	-	(222,637)	(222,637)
Balance at 31 December 2017	**11,000,000**	**3,647,520**	**14,647,520**

The notes on pages 10 to 22 form part of these financial statements.

Notes

1 General information

Indigo Infra Holdings UK Limited (the "company") is a private company incorporated, domiciled and registered in England in the United Kingdom. The registered number is 02659311 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 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 pounds 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 and tangible fixed 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 the impairment of goodwill and 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: derivative financial instruments, financial instruments classified as fair value through the profit or loss or as available-for-sale. 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

The directors believe that the above is sufficient to enable the company to meet its debts as they fall due.

2.3 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.

2.4 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. 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.

Notes *(continued)*

2 Accounting policies *(continued)*

2.5 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 directly in equity or Other Comprehensive Income.

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

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: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to 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.

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 Balance Sheet.

Notes *(continued)*

2 Accounting policies *(continued)*

2.6 Impairments

The carrying amounts of investments 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.

The recoverable amount of an asset 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" or CGU).

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.

In respect of other assets, impairment losses recognised in prior period 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 deprecation or amortisation, if no impairment loss had been recognised.

2.7 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, 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 carried at cost less impairment.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

2 Accounting policies *(continued)*

2.8 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.

When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss is removed from the hedging reserve and is included in the initial carrying amount of the non-financial asset or liability. When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss remains in the hedging reserve and is reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when a non-financial asset is depreciated.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in equity are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when interest income or expense is recognised.

For cash flow hedges, other than those covered by the preceding two policy statements, the associated cumulative gain or loss is removed from equity and recognised in the Profit and Loss Account in the same period or periods during which the hedged forecast transaction affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the Profit and Loss Account immediately.

2.9 Investments

Investments in subsidiaries are carried at cost less impairment.

Notes *(continued)*

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 level these:

- 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 investments relate in particular to the assessment of market prospects needed to estimate the cash flows, and discount rates adopted. Any change in these 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 Expenses and auditor's remuneration

Audit fees of £4,500 were borne by a fellow subsidiary company *(2016: £5,000)*.

5 Staff costs

Except for the directors' the company had no employees during the year. None of the directors received any remuneration from the company during the year *(2016: £nil)*.

6 Interest payable and similar expenses

	2017	2016
	£	£
Finance expense		
Interest expense on intercompany loans and borrowings	**275,712**	322,816
Total interest payable and similar expenses	**275,712**	322,816

Notes *(continued)*

7 Tax on loss

Recognised in the Profit and Loss Account

	2017 £	2016 £
Current tax credit		
Group relief receivable	**(53,075)**	(64,568)
Adjustments in respect of prior years	**-**	(2)
Current tax credit	**(53,075)**	(64,570)
Tax credit	**(53,075)**	(64,570)

Current tax reconciliation

The current tax credit for the year is different, (2016: Lower) than the standard rate of corporation tax in the UK of 19.25% *(2016: 20.00%)*. The differences are explained below.

	2017 £	2016 £
Loss for the year	**(222,637)**	(258,270)
Total tax credit	**(53,075)**	(64,570)
Loss excluding taxation	**(275,712)**	(322,840)
Tax using the UK corporation tax rate of 19.25% *(2016: 20.00%)*	**(53,075)**	(64,568)
Adjustments in respect of prior years	**-**	(2)
Group relief surrendered	**53,075**	64,568
Receipt for group relief	**(53,075)**	(64,568)
Total tax credit	**(53,075)**	(64,570)

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)*

8 Fixed asset investments

	Shares in group undertakings 2017 £
Cost	
Balance at 1 January	**28,697,242**
Balance at 31 December	**28,697,242**
Impairment	
Opening balance	**-**
Closing balance	**-**
Net book value at 31 December	**28,697,242**

The company has the following investments in subsidiaries:

company	**Registered office address**	**Class of shares held**	**Ownership 2017**	Ownership 2016
Indigo Park Services UK Limited	Oak House, Reeds Crescent, Watford, WD24 4QP, UK	Ordinary	**100%**	100%
Indigo Infra Dundee Limited	Oak House, Reeds Crescent, Watford, WD24 4QP, UK	Ordinary	**100%**	100%
Indigo Infra Cardiff Limited	Oak House, Reeds Crescent, Watford, WD24 4QP, UK	Ordinary	**100%**	100%
Indigo Infra UK Limited	Oak House, Reeds Crescent, Watford, WD24 4QP, UK	Ordinary	**100%**	100%
Unigarage UK Limited	Oak House, Reeds Crescent, Watford, WD24 4QP, UK	Ordinary	**100%**	100%

Notes *(continued)*

9 Debtors

	2017	2016
	£	£
Amounts owed by group undertakings*	-	64,569
Corporation tax	53,077	-
	53,077	64,569

*Amounts owed by group undertakings are unsecured, repayable on demand and bear interest at the Bank of England base rate + 1%.

10 Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts owed to group undertakings*	14,102,799	4,385,407
Loans and borrowings	-	3,506,247
	14,102,799	7,891,654

*Amounts owed to group undertakings are unsecured, repayable on demand and bear interest at the Bank of England base rate + 1%.

11 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Amounts owed to parent company	-	6,000,000

Notes *(continued)*

12 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2017	2016
	£	£
Current:		
Amounts owed to parent company	-	3,506,247
	-	3,506,247
Non-current:		
Amounts owed to parent company	-	6,000,000
	-	6,000,000

Terms and debt repayment schedule

Lender	**Currency**	**Nominal interest rate**	**Year of maturity**	**Face value 2017 £**	**Carrying amount 2017 £**	Face value 2016 £	Carrying amount 2016 £
Amounts owed to parent company	£ Sterling	2.40%	2018	-	-	9,506,247	9,506,247
				-	-	9,506,247	9,506,247

Notes *(continued)*

13 Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
11,000,000 Ordinary Share of £1 each	**11,000,000**	11,000,000

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.

14 Financial instruments

Categories of financial instruments held at fair value:

The Company enters into forward interest rate contracts to mitigate the interest rate risk for certain senior debt receivables and/or liabilities.

The forward interest rate contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the base interest rates.

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

	2017	2016
	£	£
Financial assets		
Amounts owed by group companies - current	-	64,569
Financial liabilities		
Loans and borrowings	-	(3,506,247)
Amounts owed to group companies - non-current	-	(6,000,000)
Amounts owed to group companies - current	(14,102,799)	(4,385,407)

There are no differences between the fair value of financial assets and liabilities and their carrying amounts as shown in the Balance Sheet.

Notes *(continued)*

14 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.
- 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. 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.

15 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.