

# **Saba Infra Liverpool Limited**

*(formerly Indigo Infra Liverpool Limited)*

## **Annual Report and Financial Statements**

Registered number 11278810

For the period from 27 March 2018 to  
31 December 2018

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## Strategic Report

The directors of Saba Infra Liverpool Limited (the "Company") present their Strategic Report and audited financial statements for the period from incorporation on 27 March 2018 to 31 December 2018 (referred to as 2018 and "period" throughout the financial statements).

### Principal activity and business review

The Company was incorporated on 27 March 2018. During the period, the Company acquired a car parking concession at Broadgreen Hospital, Liverpool from its parent, Saba Infra UK Limited, for the amount of £1,716,156.

The principal activity of the Company since acquiring the concession has been to operate and maintain this concession, which will continue until 2037.

The directors have elected to adopt relevant accounting policies in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101, *Reduced Disclosure Framework*.

Turnover and costs were derived from the provision of parking services. Operational trading has substantially been in line with the business plan and the main risk facing the Company is that traffic volumes do not meet the business plan.

On 11 December 2018, the entire share capital of the Company's UK parent holding company, Indigo Infra Holdings UK Limited, was sold by Indigo Infra SA, a French-registered company, and acquired by Saba Group UK Limited, a subsidiary of Saba Aparcamientos SA, a Spanish-registered company and car park operator. Saba Aparcamientos SA is in turn ultimately owned by the Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation".

The Company was renamed from Indigo Infra Liverpool Limited to Saba Infra Liverpool Limited on 17 December 2018 by special resolution.

### Subsequent events

There were no subsequent events to be notified at the date of signing this Strategic Report.

### Key Performance Indicators

The directors consider that client-driven KPIs under the concession contract and measurement of traffic volumes against the business plan 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 period:

	£
Turnover	834,993
Gross profit	515,435

### 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 turnover, 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 cash flow risk, credit risk and liquidity risk. If financial derivatives are used then these would be approved by the board of directors.

### Cash flow risk

Interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows.

## **Strategic Report** *(continued)*

### **Credit risk**

The Company's principal financial assets are 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 Company has no significant concentration of credit risk, with exposure either spread over a large number of counterparties and customers or laying with public bodies.

### **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 and in due course will join a cash pooling arrangement with its fellow UK group companies.

### **Future developments**

The directors do not consider that there will be any significant changes to the Company's activities in the foreseeable future.

### **Other matters**

The Company will join in due course a formalised cash pooling facility with other fellow subsidiary companies within the Saba UK group of companies.

By order of the board



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**Gary Pickard**

*Director*

Date: 28 June 2019

Oak House  
Reeds Crescent  
Watford  
Herts  
WD24 4PH

## Directors' Report

The directors present their Directors' Report and the audited financial statements for the period from incorporation on 27 March 2018 to 31 December 2018 (referred to as 2018 and "period" throughout the financial statements).

### Results

The results for the period are set out on page 8, and the Company's Balance Sheet at the period end is set out on page 9. The profit for the financial period amounted to £319,823.

### Dividends

The directors do not recommend the payment of a dividend.

### Political contributions

The Company did not make any political contributions or incur any political expenditure during the period.

### Directors

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

P. D. Herring (appointed 27 March 2018)  
G. C. Pickard (appointed 27 March 2018)  
W. D. C. Thierry (appointed 27 March 2018, resigned 11 December 2018)  
J. Oriol Carreras (appointed 17 December 2018)

### Qualifying third party indemnity

Certain directors have benefited from the qualifying third party indemnity provisions in place during the financial period and at the date of this report.

### 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 of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditors

Constantin were appointed as auditor on 31 January 2019. 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 risk and management objectives

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006, with the exception that the directors have chosen to prepare a Strategic Report.

By order of the board



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**Gary Pickard**

Director

Date: 28 June 2019

Oak House  
Reeds Crescent  
Watford  
Herts  
WD24 4PH

## **Statement of Directors' Responsibilities in respect of the Annual 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 period. 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 period. 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. 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 Saba Infra Liverpool Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Saba Infra Liverpool Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the period 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 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 14, which include a statement of accounting policies.

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 Financial Reporting Council's (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.

### **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.

## **Independent Auditor's report to the members of Saba Infra Liverpool Limited**

*(continued)*

### **Responsibilities of directors**

As explained more fully in the Statement of 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, 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters 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 Directors' Report for the financial period 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 the 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 or 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.

We have nothing to report in respect of these matters.



**Independent Auditor's report to the members of Saba Infra Liverpool Limited**  
(continued)

**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.



**Alex Legon, FCA (Senior Statutory Auditor)**

for and on behalf of Constantin, Chartered Accountants and Statutory Auditors

25 Hosier Lane  
London  
EC1A 9LQ

Date:

**28 JUN 2019** 2019

**Profit and Loss Account and Other Comprehensive Income**  
*for the period ended 31 December 2018*

	Note	Period from 27 March 2018 to 31 December 2018 £
<b>Turnover</b>	4	834,993
Cost of sales		(319,558)
<b>Gross profit</b>		515,435
Administrative expenses		(111,058)
<b>Operating profit</b>		404,377
<b>Profit before taxation</b>		404,377
Tax on profit	7	(84,554)
<b>Profit for the financial period</b>		319,823
<b>Other comprehensive income for the period, net of income tax</b>		-
<b>Total comprehensive income for the period</b>		319,823

All transactions arise from continuing operations.

The notes on pages 11 to 25 form an integral part of these financial statements.

## Balance Sheet

At 31 December 2018

	Note	2018 £
<b>Fixed assets</b>		
Tangible assets	8	<u>2,643,198</u>
<b>Current assets</b>		
Debtors	10	<u>19,117</u>
		<u>19,117</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,340,014)</u>
<b>Net current liabilities</b>		<u>(2,320,897)</u>
Total assets less current liabilities		<u>322,301</u>
<b>Creditors: amounts falling due after more than one year</b>		
Deferred tax liability	9	<u>(2,477)</u>
<b>Net assets</b>		<u><u>319,824</u></u>
<b>Capital and reserves</b>		
Called up share capital	12	<u>1</u>
Profit and Loss Account		<u>319,823</u>
<b>Shareholders' funds</b>		<u><u>319,824</u></u>

The notes on pages 11 to 25 form an integral part of these financial statements.

These financial statements of Saba Infra Liverpool Limited (registered number 11278810) were approved by the board of directors and authorised for issue on 28 June 2019. They were signed on its behalf by:



**Gary Pickard**  
Director

**Statement of Changes in Equity**  
**At 31 December 2018**

	<b>Called up share capital £</b>	<b>Profit and Loss Account £</b>	<b>Total shareholders' funds £</b>
<b>Balance at 27 March 2018</b>	-	-	-
<b>Total comprehensive income for the period</b>			
Profit for the period	-	319,823	319,823
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	319,823	319,823
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>			
Issue of share capital	1	-	1
	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	1	-	1
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2018</b>	<b>1</b>	<b>319,823</b>	<b>319,824</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 25 form an integral part of these financial statements.

## Notes

### 1 General information

Saba Infra Liverpool Limited is a private company incorporated, domiciled and registered in England in the United Kingdom. The registered number is 11278810 and the registered address is Oak House, Reeds Crescent, Watford, Herts, WD24 4PH, England.

### 2 Accounting policies

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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, Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation" includes the Company in its consolidated financial statements. The consolidated financial statements of Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation" are available to the public and may be obtained from Oak House, Reeds Crescent, Watford, Herts, WD24 4PH.

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;
- Certain disclosures regarding turnover;
- 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 Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation" 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; 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)

The Company has adopted the following IFRSs in these financial statements:

#### IFRS 15: Revenue from Contracts with Customers

IFRS 15: Revenue from Contracts with Customers, was issued in May 2014 and has been implemented by the Company from 27 March 2018. The standard provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised to show the transfer of promised goods and services to customers in an amount that reflects the consideration which the Company expects to be entitled to in exchange for those goods and services.

After analysis, the new standard has been found to have no impact on the amount or timing of recognition of reported revenue in the current nor in the prior reporting period. The new standard is not expected to have a material impact on future anticipated revenues.

#### IFRS 9: Financial Instruments

IFRS 9: Financial Instruments, was issued in July 2014 and has been implemented by the Company from 27 March 2018. The standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

IFRS 9 does not replace the requirements for portfolio fair value hedge accounting for interest rate risk. The new standard is not expected to have a material impact on future financial instruments.

### 2.2 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.

### 2.3 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 to become party to a formalised cash pooling facility dated 14 April 2014 and so will share 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 will enable the Company to meet its financial liabilities as and when they fall due, including repayment of any trading balances with group undertakings.

## Notes (continued)

### 2 Accounting policies

#### 2.4 Turnover

Turnover represents the total amount of consideration due in the ordinary course of business for goods and services provided under contracts and excludes value added tax.

Turnover comprises:

- Car parking tariffs. Tariffs from daily parking are recognised on the day of parking. Permit income is recognised on purchase of the permit unless the permit is for longer than a month in which case income is recognised on a time apportioned basis with that in advance being carried forward as deferred income;
- Management fee income, which is recognised in the month to which the services provided relate; and
- Ancillary goods and services provided, which are recognised in turnover when the goods or services have been delivered or provided to the client or customer.

The majority of car parking tariffs are paid by cash or card. Invoices raised for management fees are usually on payment terms of no more than 30 days.

#### 2.5 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.

#### 2.6 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. Foreign currency gains and losses are reported on a net basis.

##### *Finance lease payments*

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.7 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity, or Other Comprehensive Income, in which case it is recognised directly in equity or Other Comprehensive Income.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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.

#### 2.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described in note 2.6.

The Company assesses at each reporting date whether tangible assets are impaired.

Depreciation is charged to the Profit and Loss Account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- |                       |  |
|-----------------------|--|
| • Buildings           | Over remaining life of the lease                                   |
| • Plant and machinery | The shorter of 10 years and remaining life of the related contract |

Depreciation methods, useful lives and residual values are reviewed at each Balance Sheet date.



## Notes (continued)

### 2 Accounting policies (continued)

#### 2.9 Impairment of non-financial assets excluding deferred tax assets

The carrying amounts of the Company's non-financial assets, other than 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 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").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

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.

#### 2.10 Financial instruments

##### (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### (ii) Classification and subsequent measurement

###### *Financial assets*

###### *(a) Classification*

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.10 Financial instruments (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

#### (b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

#### Financial liabilities and equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

## **Notes (continued)**

### **2 Accounting policies (continued)**

#### **2.10 Financial instruments (continued)**

##### *Financial liabilities and equity (continued)*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

##### **(iii) 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 item (including a non-financial item that becomes a firm commitment for which fair value hedge accounting is applied - see below), 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.

For all other hedged forecast transactions, 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 expected future cash flows affects profit or loss.

When the hedging instrument is sold, expires, is 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.

###### *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)*

#### **2.10 Financial instruments** *(continued)*

##### **(iv) Impairment**

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

##### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

##### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

##### *Write-offs*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

## 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:

- 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 tangible fixed assets, 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 Turnover

Period from  
27 March 2018  
to  
31 December 2018  
£

Turnover from car park operations in the UK

834,993

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### 5 Expenses and auditor's remuneration

Period from  
27 March 2018  
to  
31 December 2018  
£

*Profit for the period has been arrived at after charging the following:*

Depreciation of tangible fixed assets  
Administrative expenses

68,700  
111,058

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Audit fees of £2,500 were borne by a fellow subsidiary company.

### 6 Staff numbers and costs

Except for the directors, the Company had no employees during the period. None of the directors received any remuneration from the Company during the period.

## Notes (continued)

### 7 Taxation

#### Recognised in the Profit and Loss Account

	Period from 27 March 2018 to 31 December 2018 £
<i>UK corporation tax</i>	
Current tax on income for the period	82,077
<b>Total current tax expense</b>	<b>82,077</b>
<b>Deferred tax expense</b>	
Origination and reversal of temporary differences	2,477
<b>Total deferred tax expense</b>	<b>2,477</b>
<b>Tax on profit</b>	<b>84,554</b>
 <b>Provision for deferred tax</b>	
Fixed asset timing differences	2,477
 Movement in provision:	
Deferred tax charged in the Profit and loss account for the period	2,477
 Provision at end of period	<b>2,477</b>

## 7 Taxation

### Reconciliation of effective tax rate

The current tax charge for the period differs from the standard rate of corporation tax in the UK of 19%. The differences are explained below.

	Period from 27 March 2018 to 31 December 2018 £
Profit for the period	319,823
Total tax expense	84,554
<b>Profit excluding taxation</b>	<b>404,377</b>
Tax using the UK corporation tax rate of 19%	76,831
<i>Effects of:</i>	
Fixed asset differences	10,500
Adjust closing deferred tax to average rate of 19%	(291)
Other tax adjustments, reliefs and transfers	(2,486)
<b>Total tax expense</b>	<b>84,554</b>

### 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 which reduced 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 Tangible fixed assets

	Leasehold buildings £	Plant and machinery £	Total £
<b>Cost</b>			
Balance at 27 March 2018	-	-	-
Additions	2,459,719	252,179	2,711,898
<b>Balance at 31 December 2018</b>	<b>2,459,719</b>	<b>252,179</b>	<b>2,711,898</b>
<b>Depreciation</b>			
Balance at 27 March 2018	-	-	-
Depreciation charge for the period	66,892	1,808	68,700
<b>Balance at 31 December 2018</b>	<b>66,892</b>	<b>1,808</b>	<b>68,700</b>
<b>Net book value At 31 December 2018</b>	<b>2,392,827</b>	<b>250,371</b>	<b>2,643,198</b>

### 9 Deferred tax

#### Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2018 £	Liabilities 2018 £	Net 2018 £
Fixed assets	-	(2,477)	(2,477)
Net tax (liabilities)/assets	-	(2,477)	(2,477)

#### Movement in deferred tax during the period 2018

	27 March 2018 £	Recognised in income £	31 December 2018 £
Fixed assets	-	(2,477)	(2,477)
	-	(2,477)	(2,477)

## Notes (continued)

### 10 Debtors

	2018 £
Amounts owed by group undertakings*	19,117
	<u>19,117</u>

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

### 11 Creditors: amounts falling due within one year

	2018 £
Amounts owed to group undertakings*	2,257,937
Corporation tax	82,077
	<u>2,340,014</u>

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

### 12 Called up share capital

	2018 £
<b>Allotted, called up and fully paid</b>	
1 Ordinary share of £1 each	<u>1</u>

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)

### 13 Financial instruments

#### Categories of financial instruments held at fair value

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

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

	2018 £
<b>Financial assets at fair value</b>	
Amounts owed by group companies - current	19,117
<b>Financial liabilities at fair value</b>	
Creditors: amounts falling due within one year	(82,077)
Amounts owed to group companies - current	(2,257,937)

#### Derivative financial instruments

The Company held no derivative financial instruments during the period.

#### 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 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.

### 14 Ultimate parent company and parent of larger group

The Company is a subsidiary undertaking of Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation", which is the ultimate parent entity, incorporated in Spain. Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation" 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 Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona, "La Caixa Foundation" are available to the public and may be obtained from Oak House, Reeds Crescent, Watford, Hertfordshire, WD24 4PH.