

# Financial Statements

## City Parking (Glasgow) LLP

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**For the Year Ended 31 March 2017**

**Registered number: SO301266**

## City Parking (Glasgow) LLP

# Information

**Designated Members** Glasgow City Council  
GCC LLP Investments Limited

**LLP registered number** SO301266

**Registered office** 5 Cadogan Square  
Anderston Centre  
Glasgow  
G2 7PH

**Independent auditor** Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
110 Queen Street  
Glasgow  
G1 3BX

**Bankers** Lloyds Banks Plc  
Gillingham City Office  
Bailey Drive  
Gillingham Business Park  
Kent  
ME8 OLS

The Royal Bank of Scotland  
10 Gordon Street  
Glasgow  
G1 3PL

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# Members' Report

**For the Year Ended 31 March 2017**

The members present their annual report together with the audited financial statements of City Parking (Glasgow) LLP (the "LLP") for the year ended 31 March 2017.

## **Principal activities**

The principal activity of City Parking (Glasgow) LLP during the year was the provision of on-street and off-street parking facilities and property management.

## **Designated Members**

Glasgow City Council and GCC LLP Investments Limited were designated members of the LLP throughout the period.

## **Members' capital and interests**

The members' share in the profit or loss for the period is accounted for as an allocation of profits, with unallocated profits and losses included within other reserves. The extent to which any profits or losses are shared between members is at the discretion of the members and therefore, until such time as profit is allocated to members, these amounts are shown as available for discretionary division in the Statement of Comprehensive Income and included in the Balance Sheet as an equity component of members' interests.

Members are required to contribute to the capital of the LLP under the terms of the Limited Liability Partnership agreement. These amounts are not automatically due back to members on retirement and therefore are presented as an equity component of members' interests.

# Members' Report (continued)

For the Year Ended 31 March 2017

## **Members' responsibilities statement**

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Disclosure of information to auditor**

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

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

This report was approved by the members on 23 August 2017 and signed on their behalf by:

**William Taggart**  
Designated member

# Independent Auditor's Report to the Members of City Parking (Glasgow) LLP

We have audited the financial statements of City Parking (Glasgow) LLP for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Standard applicable in the United Kingdom and Republic of Ireland'.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnership (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 partnership and members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of Members and Auditor**

As explained more fully in the Members' Responsibilities Statement on page 1, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

## Independent Auditor's Report to the Members of City Parking (Glasgow) LLP (continued)

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

James Chadwick  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
110 Queen Street  
Glasgow  
G1 3BX

23 August 2017

## Statement of Comprehensive Income

For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover	3	15,853,105	15,316,636
Impairment on valuations of investment property		(600,000)	(250,000)
Other external charges		(7,525,638)	(7,335,640)
<b>Gross profit</b>		<b>7,727,467</b>	<b>7,730,996</b>
Staff costs		(4,830,124)	(5,092,798)
Depreciation	12	(695,304)	(695,299)
<b>Operating profit</b>	4	<b>2,202,039</b>	<b>1,942,899</b>
Interest receivable and similar income		16,590	21,040
Interest payable and expenses	8	(2,386,889)	(2,424,158)
Net interest on defined benefit pension scheme		9,000	(59,000)
<b>Loss before tax</b>		<b>(159,260)</b>	<b>(519,219)</b>
Loss for the year before members' remuneration and profit shares		(159,260)	(519,219)
Members' remuneration charged as an expense		(104,032)	(106,928)
<b>Loss for the financial year available for discretionary division among members</b>		<b>(263,292)</b>	<b>(626,147)</b>
<b>Other comprehensive income for the year</b>			
Actuarial (losses)/gains on defined benefit pension scheme		(2,049,000)	2,077,000
<b>Other comprehensive income for the year</b>		<b>(2,049,000)</b>	<b>2,077,000</b>
<b>Total comprehensive income for the year</b>		<b>(2,312,292)</b>	<b>1,450,853</b>

The notes on pages 9 to 25 form part of these financial statements.



## Statement of Financial Position

As at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	11	-	-
Tangible assets	12	15,896,620	17,191,924
<b>Current assets</b>			
Debtors: amounts falling due within one year	13	1,313,359	693,009
Cash at bank and in hand		5,379,613	5,229,651
		<u>6,692,972</u>	<u>5,922,660</u>
Creditors: amounts falling due within one year	14	(3,417,920)	(3,701,862)
<b>Net current assets</b>		<u>3,275,052</u>	<u>2,220,798</u>
<b>Total assets less current liabilities</b>		<u>19,171,672</u>	<u>19,412,722</u>
Creditors: amounts falling due after more than one year	15	(43,275,998)	(43,779,991)
		<u>(24,104,326)</u>	<u>(24,367,269)</u>
Pension liability	21	(2,261,000)	-
<b>Net liabilities</b>		<u><u>(26,365,326)</u></u>	<u><u>(24,367,269)</u></u>

## Statement of Financial Position (continued)

As at 31 March 2017

	Note	2017 £	2016 £
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	18	4,128,392	3,814,157
<b>Members' other interests</b>			
Members' capital classified as equity		1,000	1,000
Other reserves classified as equity		(30,494,718)	(28,182,426)
		<u>(30,493,718)</u>	<u>(28,181,426)</u>
		<u>(26,365,326)</u>	<u>(24,367,269)</u>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)	13	(315,794)	(192,395)
Loans and other debts due to members	18	4,128,392	3,814,157
Members' other interests		(30,493,718)	(28,181,426)
		<u>(26,681,120)</u>	<u>(24,559,664)</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 23 August 2017.

**William Taggart**  
Designated member

The notes on pages 9 to 25 form part of these financial statements.

## Reconciliation of Members' Interests

For the Year Ended 31 March 2017

	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £	Total £
<b>Balance at 1 April 2015</b>	1,000	29,633,278	29,632,278	3,558,882	3,558,882	26,073,396
Members' remuneration charged as an expense	-	-	-	(106,928)	(106,928)	(106,928)
Loss for the year available for discretionary division among members	-	(626,148)	(626,148)	-	-	(626,148)
<b>Members' interests after profit for the year</b>	1,000	30,259,426	30,258,426	3,451,954	3,451,954	26,806,472
Movement in defined benefit pension scheme deficit	-	2,077,000	2,077,000	-	-	2,077,000
Amounts introduced by members	-	-	-	(92,059)	(92,059)	(92,059)
Repayment of debt	-	-	-	261,866	261,866	261,866
Amounts due to members				3,814,157	3,814,157	
Amounts due from members				(192,395)	(192,395)	
<b>Balance at 31 March 2016</b>	1,000	28,182,426	28,181,426	3,621,762	3,621,762	24,559,664
Members' remuneration charged as an expense	-	-	-	(104,032)	(104,032)	(104,032)
Loss for the year available for discretionary division among members	-	(263,292)	(263,292)	-	-	(263,292)
<b>Members' interests after profit for the year</b>	1,000	28,445,718	28,444,718	3,517,730	3,517,730	24,926,988
Movement in defined benefit pension scheme deficit	-	(2,049,000)	(2,049,000)	-	-	(2,049,000)
Amounts introduced by members	-	-	-	418,267	418,267	418,267
Amounts withdrawn	-	-	-	(123,399)	(123,399)	(123,399)
Amounts due to members				4,128,392	4,128,392	
Amounts due from members				(315,794)	(315,794)	
<b>Balance at 31 March 2017</b>	1,000	30,494,718	30,493,718	3,812,598	3,812,598	26,681,120

The notes on pages 9 to 25 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **1. Accounting policies**

### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, except for certain assets that are held at valuation, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the entity's accounting policies (see note 2).

The following principal accounting policies have been applied:

### **1.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Glasgow City Council as at 31 March 2017 and these financial statements may be obtained from City Chambers, Glasgow, G2 1DU.

### **1.3 Going concern**

The financial statements have been prepared on the going concern basis.

The members have prepared projections for at least 12 months from the date of approval of the financial statements and these show that the LLP has sufficient facilities to meet its liabilities as they fall due. The projections are further supported by successful renewal of the LLP's banking facilities with Lloyds Banking Group, due for renewal on 5 September 2035.

The designated member, Glasgow City Council, provided funding through an unsecured term loan of £2m which is due for renewal on 5 September 2035. Glasgow City Council has confirmed, as ultimate parent undertaking, they will continue to provide the LLP with the necessary financial support for at least a further 12 months from the date of signing of the financial statements of the LLP for the year ended 31 March 2017.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **1. Accounting policies (continued)**

### **1.4 Revenue**

The turnover shown in the profit and loss account represents amounts earned during the period, exclusive of Value Added Tax. Income received in advance in relation to tenant leases and season tickets is included in the balance sheet as deferred income within the creditors' amounts falling due within one year. The income is released monthly to the profit and loss account over the respective rental or season ticket period.

Income received from on street parking facilities is based upon a service agreement whereas an annual fee is received in equal monthly installments. Performance fees are recognised only when conditions have been met.

### **1.5 Tax**

Taxation on all LLP profits is solely the personal liability of the individual members. Consequently, neither taxation nor related deferred taxation arising in the LLP is accounted for in these financial statements.

### **1.6 Intangible assets**

#### **Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

#### **Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

### **1.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The LLP adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the LLP. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 1. Accounting policies (continued)

### 1.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property	- Over the life of the lease
Equipment	- Over 5 - 15 years
Leasehold improvements	- Over the shorter of the remaining useful life of the lease or 15 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

### 1.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

### 1.9 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

### 1.10 Members' capital

The capital requirements of the LLP are determined from time to time by the members. No interest is paid on members' capital.

### 1.11 Members' remuneration and allocation of profits

Members are remunerated by interest on the members' loan. A member's share in the profit or loss for the accounting period is accounted for as an allocation of profits. Unallocated profits and losses are included in other reserves.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **1. Accounting policies (continued)**

### **1.12 Members' participation rights**

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with FRS 25 (IAS 32) Financial Instruments: Disclosure and Presentation and UITF abstract 39 Members' share in cooperative entities and similar instruments. A member's participation rights results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on member's loan balances, are treated in the same way as all other divisions of profit, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment. Interest is charged through members' remuneration charged as an expense.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **1. Accounting policies (continued)**

### **1.13 Pension costs and other post-retirement benefits**

The LLP operates a defined benefit pension scheme for its employees. The assets of the scheme are held separately from those of the LLP in an independently administrated fund. All existing and new members of staff have the option of joining the Strathclyde Pension Fund ("the Fund").

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to the profit and loss account. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for the benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the profit and loss account during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount in the profit and loss account within other finance costs and income. Actuarial gains and losses are recognised immediately in Other Comprehensive Income.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) or deficit is recognised in full on the balance sheet. The expected cost of providing staff pensions to employees contributing to the Fund is recognised in the profit and loss account on a systematic basis over the expected average remaining lives of members of the funds, in accordance with Financial Reporting Standard 102 Section 28 'Employee Benefits' and recognises retirement benefits as the benefits are earned and not when they are due to be paid.



# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been included:

### Investment Properties

Investment properties are included in the balance sheet at market value, which is arrived at by obtaining a valuation from a professional surveyor. The total carrying value of investment properties to which the estimation uncertainty relates, and further information on the valuation technique, is given in note 13.

### Staff Pension Scheme and Recognition of Pension Scheme Asset

The (deficit)/surplus on the defined benefit pension scheme is included in the balance sheet in line with Financial Reporting Standard 102. The (deficit)/surplus is arrived at by obtaining a valuation from the scheme actuary. Where a surplus is generated, consideration is given to whether it can be recognised by the company, based on the extent to which it is recoverable by reduced payments or recovery surplus. More information is contained in note 21.

### Carrying Value of Property

As the partnership continues to generate an operating loss from the provision of the car parks, the carrying value of the car parks are considered annually for impairment.

## 3. Turnover

The entity has carried on the following classes of business during the financial period; car park management and related income, enforcement management and investment property income. It would be prejudicial to the entity's interest to disclose this analysis and has therefore been omitted.

Analysis of turnover by country of destination:

	2017	2016
	£	£
United Kingdom	15,853,105	15,316,636

## 4. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	695,304	695,299
Impairment of investment properties	600,000	250,000
Defined benefit pension cost	842,628	984,636

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 5. Auditor's remuneration

	2017 £	2016 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	16,650	19,130
<b>Fees payable to the LLP's auditor and its associates in respect of:</b>		
Other services relating to taxation	1,850	1,850
	<u>1,850</u>	<u>1,850</u>

## 6. Employees

Staff cost were as follows:

	2017 £	2016 £
Wages and salaries	3,638,867	3,844,267
Social security costs	340,903	263,895
Cost of defined benefit scheme	842,628	984,636
Redundancy Costs	7,726	-
	<u>4,830,124</u>	<u>5,092,798</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2017 No.	2016 No.
Senior management	4	4
Administrative support	15	15
Car park management	1	1
Car park staff	31	33
On street management	3	3
On street staff	103	109
	<u>157</u>	<u>165</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 7. Information in relation to members

	2017 £	2016 £
Interest in relation to members' loan	<u>104,032</u>	<u>106,928</u>

City Parking (Glasgow) LLP has two members; Glasgow City Council and Glasgow City Council Investments LLP.

In the year there were no profits attributable to members.

## 8. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	<u>2,386,889</u>	<u>2,424,158</u>

## 9. Other finance costs

	2017 £	2016 £
Expected return on pension scheme assets	774,000	677,000
Interest cost on defined benefit obligation	(765,000)	(736,000)
	<u>9,000</u>	<u>(59,000)</u>

## 10. Number of Members

	2017 £	2016 £
Members during the year	<u>2</u>	<u>2</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 11. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2016	4,928,500
At 31 March 2017	<u>4,928,500</u>
<b>Amortisation</b>	
At 1 April 2016	4,928,500
At 31 March 2017	<u>4,928,500</u>
<b>Net book value</b>	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u>-</u>

## Notes to the Financial Statements

For the Year Ended 31 March 2017

### 12. Tangible fixed assets

	Leasehold investment property £	Leasehold property £	Leasehold improvements £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2016	1,800,000	16,173,424	78,883	1,493,405	19,545,712
Revaluations	(600,000)	-	-	-	(600,000)
At 31 March 2017	<u>1,200,000</u>	<u>16,173,424</u>	<u>78,883</u>	<u>1,493,405</u>	<u>18,945,712</u>
<b>Depreciation</b>					
At 1 April 2016	-	1,680,702	43,110	629,976	2,353,788
Charge for the period	-	556,088	5,259	133,957	695,304
At 31 March 2017	<u>-</u>	<u>2,236,790</u>	<u>48,369</u>	<u>763,933</u>	<u>3,049,092</u>
<b>Net book value</b>					
At 31 March 2017	<u>1,200,000</u>	<u>13,936,634</u>	<u>30,514</u>	<u>729,472</u>	<u>15,896,620</u>
At 31 March 2016	<u>1,800,000</u>	<u>14,492,722</u>	<u>35,773</u>	<u>863,429</u>	<u>17,191,924</u>

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Freehold	1,200,000	1,800,000
Long leasehold	<u>13,936,634</u>	<u>14,492,722</u>
	<u>15,136,634</u>	<u>16,292,722</u>

The investment property was valued as 31 March 2017 by independent professionally qualified valuers who held a recognised relevant qualification and have recent experience of the investment properties valued.

If the Investment property had not been included at valuation they would have been included under the historical cost convention at £3,179,000.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 13. Debtors

	2017 £	2016 £
Trade debtors	192,529	65,212
Other debtors	198,159	138,309
Prepayments and accrued income	606,877	297,093
Amounts due from members	315,794	192,395
	<u>1,313,359</u>	<u>693,009</u>

## 14. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	504,000	453,334
Trade creditors	36,650	55,515
Amounts owed to group undertakings	112,413	232,471
Other taxation and social security	469,015	438,168
Other creditors	942,144	1,133,813
Accruals and deferred income	1,353,698	1,388,561
	<u>3,417,920</u>	<u>3,701,862</u>

## 15. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	43,275,998	43,779,991
	<u>43,275,998</u>	<u>43,779,991</u>

### Secured loans

A standard security is held over the leasehold property of the partnership in favour of Lloyds Bank Plc.

The term loan is due for repayment by 1 October 2035. The first installment of £16,667 was paid on 6 June 2012. Interest is charged at average rate of 6.02% on the term loan.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 16. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
<b>Amounts falling due within one year</b>		
Bank loans	504,000	453,334
<b>Amounts falling due 1-2 years</b>		
Bank loans	504,000	504,000
<b>Amounts falling due 2-5 years</b>		
Bank loans	2,242,000	1,512,000
<b>Amounts falling due after more than 5 years</b>		
Bank loans	40,529,998	41,763,991
	<u>43,779,998</u>	<u>44,233,325</u>

## 17. Financial instruments

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>748,438</u>	<u>416,619</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(50,074,052)</u>	<u>(50,390,605)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors, accrued income and amounts due from members.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings, other creditors, accruals and amounts owed to members.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 18. Loans and other debts due to members

	2017 £	2016 £
Amounts due to members	<u>(4,128,392)</u>	<u>(3,814,157)</u>

Loans and other debts due to members may be further analysed as follows:

	2017 £	2016 £
Falling due within one year	<u>(1,808,845)</u>	<u>(1,329,462)</u>
Falling due after more than one year	<u>(2,319,547)</u>	<u>(2,484,695)</u>
	<u>(4,128,392)</u>	<u>(3,814,157)</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

## 19. Contingent liabilities

There were no contingent liabilities at 31 March 2017 and 31 March 2016.

## 20. Capital commitments

There were no capital commitments at 31 March 2017 and 31 March 2016.



# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 21. Pension commitments

The entity operates a Defined benefit pension scheme.

City Parking (Glasgow) LLP is a member of the Strathclyde Pension Fund - a multi-employer defined benefit scheme. The scheme offers retirement benefits to employees under the terms and conditions of employment. Although these benefits will not actually be payable until an employee retires, the LLP has a commitment to make the payments that need to be disclosed at the time employees earn their entitlement.

Assets are valued at fair value. Quoted securities are valued at bid price rather than mid-market value to comply with the 2008 SORP. Liabilities are valued on actuarial basis using the projected unit method, which assessed the future liabilities of the fund discounted to their present value. The fund's liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries. Calculations have been based on the valuation of the scheme as at 31 March 2012 updated to 31 March 2017.

Reconciliation of present value of plan liabilities:

	2017 £	2016 £
<b>Reconciliation of present value of plan liabilities</b>		
Opening fair value of scheme liabilities	(21,560,000)	(22,593,000)
Current service cost	(834,000)	(992,000)
Interest cost	(765,000)	(736,000)
Actuarial gains/losses	(6,769,000)	2,563,000
Contributions	(182,000)	(183,000)
Benefits paid	358,000	360,000
Estimated unfunded benefits paid	21,000	21,000
<b>At the end of the year</b>	<b>(29,731,000)</b>	<b>(21,560,000)</b>

	2017 £	2016 £
Opening fair value of scheme assets	21,919,000	20,944,000
Expected return on assets	774,000	677,000
Actuarial gains/losses	4,361,000	(127,000)
Contributions by employer	613,000	623,000
Contributions by scheme participants	182,000	183,000
Estimated unfunded benefits paid	(21,000)	(21,000)
Benefits paid	(358,000)	(360,000)
<b>At the end of the year</b>	<b>27,470,000</b>	<b>21,919,000</b>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 21. Pension commitments (continued)

Composition of plan assets:

	2017 %	2016 %
Equity	73	72
Bonds	12	16
Property	10	12
Cash	5	-
<b>Total plan assets</b>	<b>100</b>	<b>100</b>

	2017 £	2016 £
Fair value of plan assets	27,470,000	21,919,000
Present value of plan liabilities	(29,731,000)	(21,560,000)
Derecognition of pension assets	-	(359,000)
<b>Net pension scheme liability</b>	<b>(2,261,000)</b>	<b>-</b>

The amounts recognised in profit or loss are as follows:

	2017 £	2016 £
Current service cost	(834,000)	(992,000)
Interest on obligation	(765,000)	(736,000)
Interest income on plan assets	774,000	677,000
<b>Total</b>	<b>(825,000)</b>	<b>(1,051,000)</b>

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was £4,360,000 (2016 - £1,952,000).

The entity expects to contribute £592,000 to its Defined benefit pension scheme in 2018.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 21. Pension commitments (continued)

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2017 %	2016 %
Discount rate at 31 March	2.60	3.50
Expected return on scheme assets	2.50	2.50
Future salary increases	4.40	4.20
Future pension increases	2.40	2.20

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2017 £	2016 £	2015 £	2014 £	2013 £
Defined benefit obligation	(29,731,000)	(21,560,000)	(22,593,000)	(19,782,000)	(17,379,000)
Scheme assets	27,470,000	21,919,000	20,944,000	19,012,000	17,277,000
<b>Surplus</b>	<b>(2,261,000)</b>	359,000	(1,649,000)	(770,000)	(102,000)
Experience adjustments on scheme assets	4,361,000	(127,000)	735,000	269,000	1,329,000
	<b>4,361,000</b>	<b>(127,000)</b>	<b>735,000</b>	<b>269,000</b>	<b>1,329,000</b>

At 31 March 2017 year end pension scheme had a surplus of £359,000. This was not recognised in the balance sheet. This is discussed at Note 2 'Judgements in applying accounting policies and key sources of estimation uncertainty'.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	Approx % increase to Employer Liability	2017 amount (£000)
<b>Change in assumptions at 31 March 2017:</b>		
0.5% decrease in Real Discount Rate	13	3,737
0.5% increase in the Salary Increase Rate	5	1,528
0.5% increase in the Pension Increase Rate	7	2,076

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 22. Commitments under operating leases

At 31 March 2017 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	2,550,725	2,388,620
Later than 1 year and not later than 5 years	10,592,244	9,932,456
Later than 5 years	83,320,496	83,374,500
	<u>96,463,465</u>	<u>95,695,576</u>

## 23. Related party transactions

The company has taken advantage of the exemption afforded to subsidiaries in FRS 102, Section 33 Related Party Transactions.

## 24. Ultimate parent company

The LLP's ultimate parent undertakings is Glasgow City Council, one of its designated members, and this is the largest group into which the results of the LLP are consolidated. The consolidated group financial statements of Glasgow City Council may be obtained from registered office at the City Chambers, Glasgow, G2 1DU