

Company Registration No. 03515275 (England and Wales)

EURO PARKING COLLECTION PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

EURO PARKING COLLECTION PLC

COMPANY INFORMATION

Directors	P Chiodo R Collins D Roberts
Secretary	S Hendry M Van Ruler
Company number	03515275
Registered office	Unit 6 Shepperton House 83-93 Shepperton Road London N1 3DF
Auditor	PK Audit LLP 1 Parkshot Richmond Surrey TW9 2RD

EURO PARKING COLLECTION PLC

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EURO PARKING COLLECTION PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for the year ended 31 December 2021.

Fair review of the business

The directors consider the Group's trading result and financial position to be satisfactory. The consolidated profit for the year before taxation amounted to £1.1m (2020: £2.3m). The Group continues to operate a high-quality service to its customers. The board have filtered through control systems and an ethos across the Group to work towards our mission of delivering an outstanding service each and every time.

Principal risks and uncertainties

The Group carefully considers its principal risks and manages these risks by continual monitoring and assessment, policy setting, and compliance with all legal, statutory, and fiduciary obligations. The Group's operations expose it to various risks, including financial risk, operational risk, strategic risk, compliance risk and technology risk. Policies and safeguards are set to limit such risks to negligible levels. The main principal risks can be identified as follows:

Operational

Risk

Our customers include large corporations and government agencies who depend upon our operational efficiency, non interruption of service, and accuracy and security of information. We devote significant resources to our systems and data, and to prevent, detect and respond to data security incidents, in each case that we believe are reasonable and appropriate.

Strategic

Risk

In order to maintain risk at a low level, we conduct regular competitor analysis, set clear goals and key performance indicators (KPIs) and set tolerance levels before action is taken to identify potential risks in advance.

Compliance

Risk

Our Group is governed by legislation and regulations. In order to minimise the risk we are ensuring that we have specific rules in place to manage and enforce business compliance. We provide staff training and create a culture of compliance within our business. We regularly review our processes put in place to monitor compliance.

Technology

Risk

We operate in dynamic industries that are characterised by rapid technological change, frequent product and service innovation and evolving industry standards. Our future success will depend on our ability to adapt and innovate to keep up with technological developments. As a result, we need to invest significant resources in research and development.

Financial

Risk

Policies are set to limit such risks to negligible levels, which include: financial planning and projection; robust reporting and analytics to monitor success, putting credit control processes in place, and credit checking prospective clients.

Development and performance

The Group has continued its expansion within the European market. During the year, the Group has increased its customer base and further strengthened its position.

The investment in new enforcement processes in countries not previously entered by the Group has continued. The investment in the Group's multilingual and multicurrency IT platform has also continued. The system, combined with the overall experience of the Group's personnel, provide a cost-efficient service for the cross-border collection of traffic related contraventions irrespective of which country the issuing authority is based in and irrespective of the country to which the notification is made.

Key performance indicators

The directors have identified those principal risks and uncertainties faced by the company and have taken steps to minimise their impact on its ongoing operational and financial affairs. As part of this process, the directors monitor the company's ongoing financial performance against the various key performance indicators such as the number of issued notifications, which, which has decreased by 26% during the 2021 financial year compared to the 2020 financial year. This decline has been caused by the delayed Covid-19 pandemic effect on the sector and is expected to recover in 2022 and change in customer mix.

EURO PARKING COLLECTION PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Promoting the success of the company

Our success

Euro Parking Collection Plc and its subsidiaries, are part of Verra Mobility Corporation, which is a leading provider of smart mobility technology solutions and services throughout the United States, Canada and Europe.

The Group has continued to focus on winning new projects appropriate to the group's risks and rewards, delivering services to clients' expectations, and continuing to develop software to improve the services provided. The group has considerable financial resources, with substantial working capital cash balances to ensure the development of the long term plans and projects in the course of seeking and delivering innovative solutions for clients.

Our employees, our clients, our suppliers

The directors recognise that employees are fundamental to the Group's success and are committed to the involvement and development of employees at all levels. We will continue to invest in and develop our employees. Our aim is to be an employer of their choice, to provide our employees with challenges that define and continue their careers.

We constantly are trying to develop long term relationships with our suppliers without whom the group would not be where it is today.

Our commitment to delivering an outstanding service to our clients has resulted in long-standing client relationships. Those long-standing relationships and "know our clients' needs" helps us to improve our technologies and solutions in order to deliver exceptional service. The quality, reliability, efficacy of solution, pricing strategy, the depth of products and services offered, the customer experience, the technical expertise and security of our services makes our group an important competitor in this sector.

Be a responsible business

We understand the impact we have on our environment. We are trying hard to be a responsible business and to control our environment footprint, investing in responsibly sourced materials, consistently making efforts to recycle and reuse.

We serve as a value-added partner to local government agencies and private companies.

We are subject to various local laws and regulations, administrative practices regulating matters such as data privacy, photo enforcement, consumer protection, procurement, licensing requirements, equal employment, the national minimum wage and the environment, amongst others.

Challenging economic conditions

The Covid-19 pandemic clearly has an impact on the business performance of EPC, like many other business in our market space. The Group is closely monitoring its impact on the business and realigning cost levels where possible without jeopardising the future growth opportunities of EPC. We have implemented a plan to continue to be able to provide an outstanding service and are still committed to continue to invest despite the difficult circumstances. For 2021 we have still been able to generate a healthy operating profit which confirms the strong position of EPC.

Events in Ukraine continue to contribute to market uncertainty. As a result, the group closely monitors their ongoing impact upon the business. While there are broader economic implications of events in Ukraine, such as increases in energy prices, rising pressure on the inflation rates, and currency fluctuations, there are no direct financial consequences for the business.

With regard to Brexit, the group has taken action to ensure appropriate arrangements have been made to achieve business continuity.

EURO PARKING COLLECTION PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board

P Chiodo
Director

19 April 2022

EURO PARKING COLLECTION PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the Group during the year was that of providing services to governmental, public, civic and police authorities relating to the enforcement of payments of traffic contraventions issued to foreign registered vehicles.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors recommend payment of a final dividend amounting to £6,214,093.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P Chiodo
R Collins
D Roberts

Financial instruments

Treasury operations and financial instruments

The Group's capital is maintained on a high level. As such, the overall liquidity risk is seen as low. In addition, the Group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations.

Further information regarding the Group's financial instruments, related policies, consideration of its liquidity and other financing risks is included in the notes to the financial statements.

Liquidity risk

The Group manages its cash in order to maximise interest income, whilst ensuring the Group has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The Group does not have any loans therefore its interest rate risk is limited.

Foreign currency risk

The Group's principal foreign currency exposures arise from its normal activities. Group policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

Credit risk

Investments of cash surpluses are made through banks which must fulfil credit rating criteria approved by the Board. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Research and development

The Group has invested £435,115 (2020: £626,211) in research and development activities on projects in the course of seeking and delivering innovative solutions for our clients

Business relationships

The Strategic Report contains details of our business relationships with our customers, employees and suppliers.

EURO PARKING COLLECTION PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Post reporting date events

Since the post year end development and global spread of COVID-19 and events in Ukraine, the Group is closely monitoring the impact on the business and financial markets. The Group has considerable financial resources, with working capital cash balances net of overdrafts of £8.7m (2020: £9.3m) as at 31 December 2021. In addition the Group has long-term contracts and a diverse range of customers and suppliers across its business. After making appropriate enquiries the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the notes to the financial statements.

Future developments

The Strategic Report contains details of likely future developments within the Group.

Auditor

In accordance with the company's articles, a resolution proposing that PK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

EURO PARKING COLLECTION PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board

P Chiodo
Director

R Collins
Director

D Roberts
Director

19 April 2022

EURO PARKING COLLECTION PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EURO PARKING COLLECTION PLC

Opinion

We have audited the financial statements of Euro Parking Collection Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of its profits 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

EURO PARKING COLLECTION PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EURO PARKING COLLECTION PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

EURO PARKING COLLECTION PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EURO PARKING COLLECTION PLC

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal invoices;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- we considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Based on our understanding of the company and industry, and through discussion with the directors and other management, we identified that the principal risks were in relation to:

- management bias in relation to the risk of management override of controls;
- revenue recognition;
- the risk of not identifying related party transactions and performance of transactions outside the normal course of business;
- management judgements applied to the recoverability of intercompany balances;
- management bias in the accounting estimates associated with share based payments accounting; and
- completeness and accuracy of component entity financial information consolidated into the group financial statements and the consolidated journals.

EURO PARKING COLLECTION PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EURO PARKING COLLECTION PLC

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships and transactions;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessing whether judgements and assumptions made in determining the accounting estimates set out in the accounts note (share payment transactions) were indicative of potential bias;
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management, those charged with governance and the in-house legal team around actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators in respect of the R&D claim and the company's legal invoices;
- for an appropriate sample of transactions, identifying the revenue recognition point for the provision of services, and testing for completeness by ensuring the transaction was properly recorded in the sales nominal ledger account;
- discussing the existence of related parties with management and obtaining confirmation of inter-company balances;
- evaluating whether all component entities have been included within the group financial statements and ensuring completeness and accuracy of consolidation journals; and
- considering the accuracy of the R&D claim and compliance with tax legislation.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Waller (Senior Statutory Auditor)

For and on behalf of PK Audit LLP

26 April 2022

Chartered Accountants

Statutory Auditor

1 Parkshot
Richmond
Surrey
TW9 2RD

EURO PARKING COLLECTION PLC

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Turnover	3	8,340,625	9,858,144
Cost of sales		(5,747,315)	(5,821,221)
Gross profit		2,593,310	4,036,923
Administrative expenses		(1,462,688)	(1,796,733)
Operating profit	4	1,130,622	2,240,190
Interest receivable and similar income	7	5,416	53,610
Interest payable and similar expenses	8	(124)	(725)
Profit before taxation		1,135,914	2,293,075
Tax on profit	9	(276,537)	(463,441)
Profit for the financial year	23	859,377	1,829,634

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

EURO PARKING COLLECTION PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Profit for the year	859,377	1,829,634
Other comprehensive income		
Currency translation differences	18,607	7,727
Total comprehensive income for the year	<u>877,984</u>	<u>1,837,361</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

EURO PARKING COLLECTION PLC

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	11		686,017		697,022
Current assets					
Debtors	15	4,548,850		3,294,605	
Cash at bank and in hand		8,661,508		9,259,747	
		<u>13,210,358</u>		<u>12,554,352</u>	
Creditors: amounts falling due within one year	16	<u>(4,634,468)</u>		<u>(5,002,207)</u>	
Net current assets			8,575,890		7,552,145
Total assets less current liabilities			<u>9,261,907</u>		<u>8,249,167</u>
Provisions for liabilities					
Deferred tax liability	17	<u>(2,356)</u>	2,356	<u>(2,873)</u>	2,873
Net assets			<u>9,264,263</u>		<u>8,252,040</u>
Capital and reserves					
Called up share capital	19		1,011,092		1,011,092
Share premium account	21		875,357		875,357
Profit and loss reserves	23		<u>7,377,814</u>		<u>6,365,591</u>
Total equity			<u>9,264,263</u>		<u>8,252,040</u>

The financial statements were approved by the board of directors and authorised for issue on 19 April 2022 and are signed on its behalf by:

P Chiodo
Director

R Collins
Director

D Roberts
Director

EURO PARKING COLLECTION PLC

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	11		686,017		697,022
Investments	13		183,768		183,768
			<u>869,785</u>		<u>880,790</u>
Current assets					
Debtors	15	5,310,827		3,961,719	
Cash at bank and in hand		8,417,605		9,051,104	
		<u>13,728,432</u>		<u>13,012,823</u>	
Creditors: amounts falling due within one year					
	16	(6,482,558)		(6,505,462)	
		<u></u>		<u></u>	
Net current assets			7,245,874		6,507,361
Total assets less current liabilities			<u>8,115,659</u>		<u>7,388,151</u>
Provisions for liabilities					
Deferred tax liability	17	(2,356)		(2,873)	
		<u>2,356</u>		<u>2,873</u>	
Net assets			<u>8,118,015</u>		<u>7,391,024</u>
Capital and reserves					
Called up share capital	19		1,011,092		1,011,092
Share premium account	21		875,357		875,357
Profit and loss reserves	23		6,231,566		5,504,575
			<u>8,118,015</u>		<u>7,391,024</u>
Total equity			<u>8,118,015</u>		<u>7,391,024</u>

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £592,752 (2020 - £1,478,981).

The financial statements were approved by the board of directors and authorised for issue on 19 April 2022 and are signed on its behalf by:

P Chiodo
Director

R Collins
Director

D Roberts
Director

Company Registration No. 03515275

EURO PARKING COLLECTION PLC

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 January 2020		1,011,092	875,357	4,318,872	6,205,321
Year ended 31 December 2020:					
Profit for the year		-	-	1,829,634	1,829,634
Other comprehensive income:					
Currency translation differences		-	-	7,727	7,727
Total comprehensive income for the year		-	-	1,837,361	1,837,361
Credit to equity for equity settled share-based payments	20	-	-	209,358	209,358
Balance at 31 December 2020		1,011,092	875,357	6,365,591	8,252,040
Year ended 31 December 2021:					
Profit for the year		-	-	859,377	859,377
Other comprehensive income:					
Currency translation differences		-	-	18,607	18,607
Total comprehensive income for the year		-	-	877,984	877,984
Credit to equity for equity settled share-based payments	20	-	-	134,239	134,239
Balance at 31 December 2021		1,011,092	875,357	7,377,814	9,264,263

EURO PARKING COLLECTION PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 January 2020		1,011,092	875,357	3,816,236	5,702,685
Year ended 31 December 2020:					
Profit and total comprehensive income for the year		-	-	1,478,981	1,478,981
Credit to equity for equity settled share-based payments	20	-	-	209,358	209,358
Balance at 31 December 2020		1,011,092	875,357	5,504,575	7,391,024
Year ended 31 December 2021:					
Profit and total comprehensive income for the year		-	-	592,752	592,752
Credit to equity for equity settled share-based payments	20	-	-	134,239	134,239
Balance at 31 December 2021		1,011,092	875,357	6,231,566	8,118,015

EURO PARKING COLLECTION PLC

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	29		12,913		62,962
Interest paid			(124)		(725)
Income taxes paid			(199,936)		(721,324)
Net cash outflow from operating activities			(187,147)		(659,087)
Investing activities					
Purchase of intangible assets		(435,115)		(626,211)	
Interest received		5,416		53,610	
Net cash used in investing activities			(429,699)		(572,601)
Net decrease in cash and cash equivalents			(616,846)		(1,231,688)
Cash and cash equivalents at beginning of year			9,259,747		10,483,708
Effect of foreign exchange rates			18,607		7,727
Cash and cash equivalents at end of year			8,661,508		9,259,747

EURO PARKING COLLECTION PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	30		(101,028)		15,045
Interest paid			(124)		(619)
Income taxes paid			(102,491)		(596,829)
Net cash outflow from operating activities			(203,643)		(582,403)
Investing activities					
Purchase of intangible assets		(435,115)		(626,211)	
Interest received		5,259		53,335	
Net cash used in investing activities			(429,856)		(572,876)
Net decrease in cash and cash equivalents			(633,499)		(1,155,279)
Cash and cash equivalents at beginning of year			9,051,104		10,206,383
Cash and cash equivalents at end of year			8,417,605		9,051,104

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Euro Parking Collection PLC ("the group") is a public limited company domiciled and incorporated in England and Wales. The registered office and the trading address is Unit 6 Shepperton House, 83-93 Shepperton Road, London, N1 3DF.

The group consists of Euro Parking Collection PLC and all of its subsidiaries: Contractum Limited and EPC Hungary Kft.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Euro Parking Collection Plc together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Going concern

Covid 19 and events in Ukraine continue to contribute to market uncertainty. As a result, the group closely monitors their ongoing impact upon the business. While there are broader economic implications of events in Ukraine, such as increases in energy prices, rising pressure on the inflation rates, and currency fluctuations, there are no direct financial consequences for the business.

The directors have carried out a detailed review of the group's financial position including a review of cash flows, forecasts taking into account the increasingly broad effects of COVID-19 and events in Ukraine as a result of its negative impact on the global economy and major financial markets.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

The company collects monies for road tolls and cross border traffic related charges on behalf of its client. Turnover represents the company's agreed share of such monies collected, and is stated net of value added tax. Revenue recognition takes place only when the monies are collected on behalf of the clients, and based on the terms agreed with those clients.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	33.33% on cost
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1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33.33% on cost
Computer equipment	33.33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Share-based payments

The company participates in a share-based payment arrangement granted to its employees by the parent company. Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the valuation techniques using observable market data. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity as a capital contribution.

1.18 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2021	2020
	£	£
Turnover analysed by class of business		
Primary activity per directors report	8,340,625	9,858,144
	<u> </u>	<u> </u>
	2021	2020
	£	£
Turnover analysed by geographical market		
Europe	8,340,625	9,858,144
	<u> </u>	<u> </u>
	2021	2020
	£	£
Other significant revenue		
Interest income	5,416	53,610
	<u> </u>	<u> </u>

The group has supplied markets that, in the opinion of the directors, did not differ significantly from each other therefore the disclosure is not required.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	45,325	153,639
Depreciation of owned tangible fixed assets	-	1,441
Amortisation of intangible assets	446,120	245,743
Share-based payments	134,239	209,358
Operating lease charges	96,220	80,469
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	17,500	17,148
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Management and administration	34	39	29	34
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	1,152,119	1,498,963	1,018,819	1,377,188
Social security costs	109,921	170,951	87,219	147,125
Pension costs	19,593	33,017	19,593	33,017
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,281,633	1,702,931	1,125,631	1,557,330
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

There was no remuneration paid to the directors by the company (2020: £Nil).

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	5,416	53,610
	<u>5,416</u>	<u>53,610</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	5,416	53,610
	<u>5,416</u>	<u>53,610</u>

8 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	(396)	(421)
Other finance costs:		
Other interest	520	1,146
	<u>124</u>	<u>725</u>
Total finance costs	<u>124</u>	<u>725</u>

9 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	261,682	506,074
Adjustments in respect of prior periods	11,330	(45,926)
	<u>273,012</u>	<u>460,148</u>
Total UK current tax	<u>273,012</u>	<u>460,148</u>
Foreign current tax on profits for the current period	3,008	2,936
	<u>276,020</u>	<u>463,084</u>
Total current tax	<u>276,020</u>	<u>463,084</u>
Deferred tax		
Origination and reversal of timing differences	517	357
	<u>517</u>	<u>357</u>
Total tax charge	<u>276,537</u>	<u>463,441</u>

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Taxation

(Continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2021 £	2020 £
Profit before taxation	1,135,914	2,293,075
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	215,824	435,684
Tax effect of expenses that are not deductible in determining taxable profit	6,751	462
Share based payment charge	25,505	39,778
Effect of overseas tax rates	17,127	33,443
Under/(over) provided in prior years	11,330	(45,926)
Taxation charge	276,537	463,441

10 Dividends

The proposed final dividend for the year ended 31 December 2021 is:

	Per share £	2021 Total £	2020 Total £
Ordinary GBP1 shares	2.77	1,662,936	1,471,848
Ordinary GBP0.25 shares	2.77	4,551,157	4,028,186

The proposed final dividend for the year ended 31 December 2020, amounting to £5,500,034 was subsequently cancelled.

For the year ended 31 December 2021, the directors recommended payment of a final dividend, amounting to £6,214,093. The proposed final dividend is subject to approval by shareholders and has not been included as a liability in these financial statements

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Intangible fixed assets

Group	Software
	£
Cost	
At 1 January 2021	1,042,662
Additions	435,115
	<hr/>
At 31 December 2021	1,477,777
	<hr/>
Amortisation and impairment	
At 1 January 2021	345,640
Amortisation charged for the year	446,120
	<hr/>
At 31 December 2021	791,760
	<hr/>
Carrying amount	
At 31 December 2021	686,017
	<hr/> <hr/>
At 31 December 2020	697,022
	<hr/> <hr/>
Company	Software
	£
Cost	
At 1 January 2021	1,042,662
Additions	435,115
	<hr/>
At 31 December 2021	1,477,777
	<hr/>
Amortisation and impairment	
At 1 January 2021	345,640
Amortisation charged for the year	446,120
	<hr/>
At 31 December 2021	791,760
	<hr/>
Carrying amount	
At 31 December 2021	686,017
	<hr/> <hr/>
At 31 December 2020	697,022
	<hr/> <hr/>

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets

Group	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2021 and 31 December 2021	28,319	541,496	569,815
Depreciation and impairment			
At 1 January 2021 and 31 December 2021	28,319	541,496	569,815
Carrying amount			
At 31 December 2021	-	-	-
Company	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2021 and 31 December 2021	27,581	521,361	548,942
Depreciation and impairment			
At 1 January 2021 and 31 December 2021	27,581	521,361	548,942
Carrying amount			
At 31 December 2021	-	-	-

13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	25	-	-	183,768	183,768
Movements in fixed asset investments					
Company					Shares in subsidiaries £
Cost or valuation					
At 1 January 2021 and 31 December 2021					183,768
Carrying amount					
At 31 December 2021					183,768
At 31 December 2020					183,768

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	4,269,204	2,852,576	5,037,141	3,526,161
Carrying amount of financial liabilities				
Measured at amortised cost	4,530,913	4,943,192	6,412,848	6,504,736

15 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	279,278	257,298	275,558	255,114
Corporation tax recoverable	11,213	101,631	5,253	95,160
Amounts owed by group undertakings	3,796,662	2,406,986	4,750,348	3,259,812
Other debtors	193,264	221,598	11,235	44,541
Prepayments and accrued income	268,433	307,092	268,433	307,092
	4,548,850	3,294,605	5,310,827	3,961,719

16 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	2,723,083	3,288,741	4,823,895	5,105,958
Corporation tax payable	9,905	24,239	-	-
Other taxation and social security	93,650	34,776	69,710	726
Other creditors	1,528,705	1,396,838	1,407,079	1,229,627
Accruals and deferred income	279,125	257,613	181,874	169,151
	4,634,468	5,002,207	6,482,558	6,505,462

17 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
Group		
Accelerated Capital Allowance	(2,356)	(2,873)

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17	Deferred taxation	(Continued)	
		Liabilities	Liabilities
		2021	2020
	Company	£	£
	Accelerated Capital Allowance	(2,356)	(2,873)
		Group	Company
		2021	2021
		£	£
	Movements in the year:		
	Asset at 1 January 2021	(2,873)	(2,873)
	Charge to profit or loss	517	517
	Asset at 31 December 2021	(2,356)	(2,356)

The deferred tax liability set out above is expected to reverse within next financial years and relates to accelerated capital allowances that are expected to mature.

18	Retirement benefit schemes	2021	2020
		£	£
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	19,593	33,017

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19	Share capital	Group and company	
		2021	2020
		£	£
	Ordinary share capital		
	Issued and fully paid		
	600,338 Ordinary GBP1 shares of £1 each	600,338	600,338
	1,643,017 Ordinary GBP0.25 shares of 25p each	410,754	410,754
		1,011,092	1,011,092

20 Share-based payment transactions

The group participates in a share-based payment arrangement granted to its employees and employees of its subsidiaries.

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Share-based payment transactions

(Continued)

Group and the Company	Number of share based payments		Weighted average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 January 2021	35,959	89,817	6.94	7.61
Granted	6,897	33,350	9.95	7.56
Forfeited	(142)	(57,593)	8.13	7.24
Vested	(15,004)	(29,615)	8.95	7.24
	<u>27,710</u>	<u>35,959</u>	<u>6.73</u>	<u>6.94</u>
Outstanding at 31 December 2021	<u>27,710</u>	<u>35,959</u>	<u>6.73</u>	<u>6.94</u>
Vesting at 31 December 2021	<u>27,710</u>	<u>35,959</u>	<u>6.73</u>	<u>6.94</u>

The share based payments outstanding at 31 December 2021 had an exercise price ranging from £7.90 to £9.95, and a remaining contractual life of 4 years.

Group

The weighted average fair value of options granted in the year was determined using the valuation techniques using observable market data.

	Group 2021 £	2020 £	Company 2021 £	2020 £
Expenses recognised in the year				
Arising from equity settled share based payment transactions	<u>134,239</u>	<u>209,358</u>	<u>134,239</u>	<u>209,358</u>

21 Share premium account

	Group 2021 £	2020 £	Company 2021 £	2020 £
At the beginning and end of the year	<u>875,357</u>	<u>875,357</u>	<u>875,357</u>	<u>875,357</u>

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

22 Operating lease commitments

Lessee

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

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	59,916	59,916	59,916	59,916
Between two and five years	4,993	4,993	4,993	4,993
	<u>64,909</u>	<u>64,909</u>	<u>64,909</u>	<u>64,909</u>

23 Profit and loss reserves

	Group 2021 £	2020 £	Company 2021 £	2020 £
At the beginning of the year	6,365,591	4,318,872	5,504,575	3,816,236
Profit for the year	859,377	1,829,634	592,752	1,478,981
Share based payment transactions	134,239	209,358	134,239	209,358
Currency translation differences	18,607	7,727	-	-
At the end of the year	<u>7,377,814</u>	<u>6,365,591</u>	<u>6,231,566</u>	<u>5,504,575</u>

24 Financial commitments, guarantees and contingent liabilities

As at 31 December 2021 there are no contingent liabilities (2020: £NIL).

The company, Euro Parking Collection plc, has issued a statement of guarantee for the outstanding liabilities of Contractum Limited.

25 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct Indirect	
Contractum Limited	United Kingdom Debt collection and related activities	Ordinary	100.00	0
EPC Finance Limited	United Kingdom Dormant company	Ordinary	100.00	0
EPC Hungary Kft	Hungary Collection of traffic fines	Ordinary	100.00	0

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

25 Subsidiaries

(Continued)

Audit exemptions

In accordance with the Companies Act 2006 Section 479A, Contractum Limited (company registration number 05755117) is exempted from an audit for the financial year ended 31 December 2021. The parent company, Euro Parking Collection plc, has issued a statement of guarantee for the outstanding liabilities of Contractum Limited.

In accordance with local regulations in Hungary, EPC Hungary Kft is exempt from audit for the financial year ending 31 December 2021.

26 Related party transactions

As at 31 December 2021, the company owed £1,735,730 (2020: £1,454,175) to Contractum Limited. As at 31 December 2021, an amount of £579,346 (2020: £425,035) was owed by EPC Hungary Kft, an amount of £2,996,879 (2020: £1,773,082) was owed by Verra Mobility BV, an amount of £648,910 (2020: £545,997) was owed by VM Consolidated Inc., and an amount of £24,943 (2020: £12,117) was owed by Verra Mobility France. The loans are repayable on demand.

27 Controlling party

The parent company was VM Consolidated, Inc., a company registered in the USA up to 30 November 2021. As a result of a restructuring, the parent company became Verra Mobility, B.V., a private company with limited liability, with a corporate seat in Amsterdam, the Netherlands, registered with the Trade Register under number 74026240.

The ultimate controlling party is Verra Mobility Corporation, a company registered in the USA (Registration number: 81-3563824). Verra Mobility Corporation is listed on the NASDAQ under the ticker VRRM.

28 Key management personnel

During the year the remuneration paid to key management personnel totalled £Nil (2020: £422,850).

29 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	859,377	1,829,634
Adjustments for:		
Taxation charged	276,537	463,441
Finance costs	124	725
Investment income	(5,416)	(53,610)
Amortisation and impairment of intangible assets	446,120	245,743
Depreciation and impairment of tangible fixed assets	-	1,441
Equity settled share based payment expense	134,239	209,358
Movements in working capital:		
Increase in debtors	(1,344,663)	(1,076,618)
Decrease in creditors	(353,405)	(1,557,152)
Cash generated from operations	12,913	62,962

EURO PARKING COLLECTION PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

30 Cash (absorbed by)/generated from operations - company

	2021 £	2020 £
Profit for the year after tax	592,752	1,478,981
Adjustments for:		
Taxation charged	192,915	339,983
Finance costs	124	619
Investment income	(5,259)	(53,335)
Amortisation and impairment of intangible assets	446,120	245,743
Depreciation and impairment of tangible fixed assets	-	1,441
Equity settled share based payment expense	134,239	209,358
Movements in working capital:		
Increase in debtors	(1,439,015)	(1,100,017)
Decrease in creditors	(22,904)	(1,107,728)
Cash (absorbed by)/generated from operations	(101,028)	15,045

31 Analysis of changes in net funds - group

	1 January 2021 £	Cash flows £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	9,259,747	(616,846)	18,607	8,661,508

32 Analysis of changes in net funds - company

	1 January 2021 £	Cash flows £	31 December 2021 £
Cash at bank and in hand	9,051,104	(633,499)	8,417,605

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.