

**UK PARKING CONTROL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**REGISTRAR'S COPY  
OF ACCOUNTS**



**Cavendish**  
**Chartered Certified Accountants**  
**Statutory Auditor**  
**68 Grafton Way**  
**London W1T 5DS**

**Ref: 6652**

# UK PARKING CONTROL LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr Rupert John Williams
<b>Company number</b>	05104383
<b>Registered office</b>	Union House 111 New Union Street Coventry CV1 2NT
<b>Auditor</b>	Cavendish Chartered Certified Accountants Statutory Auditor 68 Grafton Way London W1T 5DS
<b>Business address</b>	Voyager House Mercury Park Wycombe Lane Wooburn Green HP10 0HH

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# UK PARKING CONTROL LIMITED

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# UK PARKING CONTROL LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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The director presents the strategic report for the year ended 31 August 2020.

#### **Business review**

The group's principal activity during the period continued to be that of parking management.

Turnover during the period was lower in 2020 due to COVID-19 restrictions. However, the company managed to achieve respectable turnover due to better data analytics and technology investment. Trading conditions continue to be tight due to competition in the market as well as greater regulation and public scrutiny of the industry.

The group's results show a profit on ordinary activities before taxation for the year of £165,038 (2019 - £1,288,219). Despite lower turnover, these results were achieved due to departmental restructuring and use of technology.

As at 31 August 2020 the group had net assets of £1,342,145 (2019 - £1,274,971).

#### **Principal risks and uncertainties**

Increased competition and consolidation in the industry poses both an opportunity and a risk to the group, however, we believe the scale of the business throughout the country will enable the company to manage these uncertainties as property owners look to appoint operators across the country.

Legislative and legal changes from ongoing action in the wider industry could impact future profit levels and we continually review the business to ensure compliance and profit.

#### **Financial key performance indicators**

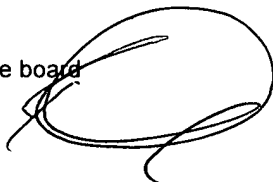
The financial indicators referred to above are considered by management to be the key performance indicators of the company. In addition the management review operating margins throughout the year including gross profit percentage of 40.5% (2019 - 44.4%) and net profit percentage of 1.6% (2019 - 9.1%). The gross and net profit percentages are lower due to impact of COVID-19 restrictions.

#### **Future outlook**

We expect the market to continue to be competitive, and with previous investment in IT systems in place, the management consider sufficient resources are available to maintain market share.

The COVID-19 pandemic adversely affected trading in the period September 2020 to April 2021. However, with assistance from the government's Coronavirus Job Retention Scheme, the company maintained positive cash flow. With the easing of lockdown restrictions in line with government policy, trading is now starting to improve and we expect that the company will be able to withstand the temporary downturn in trading which occurred.

On behalf of the board



Mr Rupert John Williams

**Director**

16 August 2021

# **UK PARKING CONTROL LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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The director presents his annual report and financial statements for the year ended 31 August 2020.

### **Principal activities**

The group's principal activity of the company and group continued to be that of car park management.

### **Results and dividends**

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £176,400. The director does not recommend payment of a further dividend.

### **Director**

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

Mr Rupert John Williams

### **Auditor**

The auditor, Cavendish, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of director's responsibilities**

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The director is 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. He is 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.

# **UK PARKING CONTROL LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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### **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.

On behalf of the board

Mr Rupert John Williams  
**Director**

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a smaller 'J' and 'W'.

16 August 2021

# UK PARKING CONTROL LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF UK PARKING CONTROL LIMITED

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#### Opinion

We have audited the financial statements of UK Parking Control Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise 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 and notes to the financial statements, including a summary of 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 August 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

#### 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 director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# UK PARKING CONTROL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF UK PARKING CONTROL LIMITED

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

#### 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 director's 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 director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

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



**A K Malhotra FCCA ACA (Senior Statutory Auditor)**

For and on behalf of Cavendish

18 August 2021

**Chartered Certified Accountants  
Statutory Auditor**

68 Grafton Way  
London  
W1T 5DS



# UK PARKING CONTROL LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Turnover		10,224,069	14,145,167
Cost of sales		(6,084,483)	(7,858,176)
<b>Gross profit</b>		<b>4,139,586</b>	<b>6,286,991</b>
Administrative expenses		(5,133,711)	(4,999,312)
Other operating income		1,160,229	-
<b>Operating profit</b>	<b>3</b>	<b>166,104</b>	<b>1,287,679</b>
Interest receivable and similar income	<b>7</b>	154	540
Interest payable and similar expenses	<b>8</b>	(1,220)	-
<b>Profit before taxation</b>		<b>165,038</b>	<b>1,288,219</b>
Taxation	<b>9</b>	78,536	(285,752)
<b>Profit for the financial year</b>		<b>243,574</b>	<b>1,002,467</b>

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

Total comprehensive income for the 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.

# UK PARKING CONTROL LIMITED

## GROUP BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,298,108		1,265,859
<b>Current assets</b>					
Stocks	14	19,223		8,272	
Debtors	15	1,843,354		1,327,357	
Cash at bank and in hand		549,590		605,298	
		2,412,167		1,940,927	
<b>Creditors: amounts falling due within one year</b>	16	(1,668,161)		(1,748,218)	
<b>Net current assets</b>			744,006		192,709
<b>Total assets less current liabilities</b>			2,042,114		1,458,568
<b>Creditors: amounts falling due after more than one year</b>	17		(500,000)		-
<b>Provisions for liabilities</b>					
Deferred tax liability	19	199,969		183,597	
			(199,969)		(183,597)
<b>Net assets</b>			1,342,145		1,274,971
<b>Capital and reserves</b>					
Called up share capital	21		2		2
Profit and loss reserves			1,342,143		1,274,969
<b>Total equity</b>			1,342,145		1,274,971

The financial statements were approved and signed by the director and authorised for issue on 16 August 2021

Mr Rupert John Williams  
Director



# UK PARKING CONTROL LIMITED

## COMPANY BALANCE SHEET

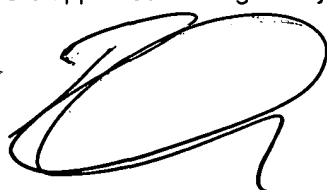
AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,298,108		1,265,859	
Investments	12	1		1	
		<u>1,298,109</u>		<u>1,265,860</u>	
<b>Current assets</b>					
Stocks	14	19,223		8,272	
Debtors	15	1,826,964		1,346,024	
Cash at bank and in hand		477,672		433,307	
		<u>2,323,859</u>		<u>1,787,603</u>	
<b>Creditors: amounts falling due within one year</b>	16	(1,593,240)		(1,606,573)	
<b>Net current assets</b>		<u>730,619</u>		<u>181,030</u>	
<b>Total assets less current liabilities</b>		<u>2,028,728</u>		<u>1,446,890</u>	
<b>Creditors: amounts falling due after more than one year</b>	17	(500,000)		-	
<b>Provisions for liabilities</b>					
Deferred tax liability	19	199,969		183,597	
		<u>(199,969)</u>		<u>(183,597)</u>	
<b>Net assets</b>		<u>1,328,759</u>		<u>1,263,293</u>	
<b>Capital and reserves</b>					
Called up share capital	21	2		2	
Profit and loss reserves		1,328,757		1,263,291	
<b>Total equity</b>		<u>1,328,759</u>		<u>1,263,293</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 £241,866 (2019 - £1,001,229 profit).

The financial statements were approved and signed by the director and authorised for issue on 16 August 2021

Mr Rupert John Williams  
Director



Company Registration No. 05104383

# UK PARKING CONTROL LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 September 2018</b>		2	735,502	735,504
<b>Year ended 31 August 2019:</b>				
Profit and total comprehensive income for the year		-	1,002,467	1,002,467
Dividends	10	-	(463,000)	(463,000)
<b>Balance at 31 August 2019</b>		2	1,274,969	1,274,971
<b>Year ended 31 August 2020:</b>				
Profit and total comprehensive income for the year		-	243,574	243,574
Dividends	10	-	(176,400)	(176,400)
<b>Balance at 31 August 2020</b>		2	1,342,143	1,342,145

# UK PARKING CONTROL LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 September 2018</b>		2	725,062	725,064
<b>Year ended 31 August 2019:</b>				
Profit and total comprehensive income for the year		-	1,001,229	1,001,229
Dividends	10	-	(463,000)	(463,000)
<b>Balance at 31 August 2019</b>		2	1,263,291	1,263,293
<b>Year ended 31 August 2020:</b>				
Profit and total comprehensive income for the year		-	241,866	241,866
Dividends	10	-	(176,400)	(176,400)
<b>Balance at 31 August 2020</b>		2	1,328,757	1,328,759

# UK PARKING CONTROL LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	25		(8,673)		1,909,887
Interest paid			(1,220)		-
Income taxes paid			(46,994)		(201,758)
<b>Net cash (outflow)/inflow from operating activities</b>			(56,887)		1,708,129
<b>Investing activities</b>					
Purchase of tangible fixed assets		(422,575)		(1,272,987)	
Interest received		154		540	
<b>Net cash used in investing activities</b>			(422,421)		(1,272,447)
<b>Financing activities</b>					
Repayment of bank loans		600,000		-	
Dividends paid to equity shareholders		(176,400)		(463,000)	
<b>Net cash generated from/(used in) financing activities</b>			423,600		(463,000)
<b>Net decrease in cash and cash equivalents</b>			(55,708)		(27,318)
Cash and cash equivalents at beginning of year			605,298		632,616
<b>Cash and cash equivalents at end of year</b>			549,590		605,298

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

#### Company information

UK Parking Control Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of UK Parking Control Limited and all of its subsidiaries.

#### 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.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### 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.

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company UK Parking Control Limited 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 August 2020. 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.

#### 1.4 Going concern

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

#### 1.5 Turnover

Revenue from the sale of parking services is recognised when the service has been provided, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.6 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.

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:

Leasehold land and buildings	Straight line over 10 years
Plant and equipment	20% straight line
Fixtures and fittings	20% straight line
Computers	33.33% straight line

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.

#### 1.7 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.



# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible 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.

#### 1.9 Stocks

Stocks are stated at cost and represent the purchase costs of consumables used in the course of trading.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 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.

#### 1.11 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.

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

(Continued)

##### ***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.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***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.

#### **1.12 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.

#### **1.13 Taxation**

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

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### **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.

#### **1.14 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.

#### **1.15 Retirement benefits**

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

#### **1.16 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.

#### **1.17 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

#### 1.18 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 director is 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 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(1,160,229)	-
Depreciation of owned tangible fixed assets	390,326	336,617
Operating lease charges	389,528	355,779

### 4 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	11,000	11,000
Audit of the financial statements of the company's subsidiaries	1,000	1,000

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 5 Employees

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

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Operations	149	140	149	140
Management	16	17	16	17
Administration	83	91	83	91
Total	248	248	248	248

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	5,333,161	5,643,201	5,377,040	5,652,670
Social security costs	342,673	356,117	341,559	354,885
Pension costs	79,621	68,246	79,621	68,246
	5,755,455	6,067,564	5,798,220	6,075,801

### 6 Director's remuneration

	2020 £	2019 £
Remuneration for qualifying services	210,251	215,240

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	210,251	215,240

### 7 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	154	519
Other interest income	-	21
Total income	154	540

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank overdrafts and loans	1,216	-
Other interest	4	-
	<u>1,220</u>	<u>-</u>
Total finance costs	<u>1,220</u>	<u>-</u>

### 9 Taxation

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	15,831	157,733
Adjustments in respect of prior periods	(110,739)	-
	<u>(94,908)</u>	<u>157,733</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	16,372	128,019
	<u>16,372</u>	<u>128,019</u>
Total tax (credit)/charge	<u>(78,536)</u>	<u>285,752</u>

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020	2019
	£	£
Profit before taxation	<u>165,038</u>	<u>1,288,219</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	31,357	244,762
Tax effect of expenses that are not deductible in determining taxable profit	75,008	64,659
Adjustments in respect of prior years	(110,739)	-
Permanent capital allowances in excess of depreciation	(90,534)	(151,688)
Deferred taxation	16,372	128,019
	<u>(78,536)</u>	<u>285,752</u>
Taxation (credit)/charge	<u>(78,536)</u>	<u>285,752</u>

### 10 Dividends

	2020	2019
	£	£
Recognised as distributions to equity holders:		
Final paid	<u>176,400</u>	<u>463,000</u>

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 11 Tangible fixed assets

Group	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2019	565,284	958,534	201,526	143,727	1,869,071
Additions	-	390,458	18,757	13,360	422,575
Disposals	-	(95,790)	(26,746)	(23,737)	(146,273)
At 31 August 2020	565,284	1,253,202	193,537	133,350	2,145,373
<b>Depreciation and impairment</b>					
At 1 September 2019	56,528	403,882	65,302	77,500	603,212
Depreciation charged in the year	56,528	250,641	38,707	44,450	390,326
Eliminated in respect of disposals	-	(95,790)	(26,746)	(23,737)	(146,273)
At 31 August 2020	113,056	558,733	77,263	98,213	847,265
<b>Carrying amount</b>					
At 31 August 2020	452,228	694,469	116,274	35,137	1,298,108
At 31 August 2019	508,756	554,652	136,224	66,227	1,265,859
<b>Company</b>	<b>Leasehold land and buildings £</b>	<b>Plant and equipment £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 September 2019	565,284	958,534	201,526	143,727	1,869,071
Additions	-	390,458	18,757	13,360	422,575
Disposals	-	(95,790)	(26,746)	(23,737)	(146,273)
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At 31 August 2019	508,756	554,652	136,224	66,227	1,265,859

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 12 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	13	-	-	1	1

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 September 2019 and 31 August 2020	1
<b>Carrying amount</b>	
At 31 August 2020	1
At 31 August 2019	1

### 13 Subsidiaries

Details of the company's subsidiaries at 31 August 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
UKPC Management Limited	1	Management services	Ordinary	100.00

1 Union House, 111 New Union Street, Coventry CV1 2NT

### 14 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Consumables	19,223	8,272	19,223	8,272



# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 15 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
<b>Amounts falling due within one year:</b>				
Trade debtors	642,713	296,511	642,713	296,511
Amounts owed by group undertakings	-	-	-	20,000
Other debtors	410,374	178,504	393,984	177,171
Prepayments and accrued income	790,267	852,342	790,267	852,342
	<u>1,843,354</u>	<u>1,327,357</u>	<u>1,826,964</u>	<u>1,346,024</u>

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

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	18	100,000	-	100,000	-
Trade creditors		423,374	501,391	436,161	501,378
Corporation tax payable		15,831	157,733	15,430	157,442
Other taxation and social security		222,892	145,522	176,208	118,270
Other creditors		127,310	189,710	87,787	76,721
Accruals and deferred income		778,754	753,862	777,654	752,762
		<u>1,668,161</u>	<u>1,748,218</u>	<u>1,593,240</u>	<u>1,606,573</u>

### 17 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	18	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>

### 18 Loans and overdrafts

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>-</u>
Payable within one year	100,000	-	100,000	-
Payable after one year	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>

The long-term loans are secured by legal charges over the company's assets.

The bank loan is repayable by monthly instalments commencing in May 2021 and ending in April 2023.

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

#### Balances:

	Liabilities 2020 £	Liabilities 2019 £
<b>Group</b>		
Accelerated capital allowances	199,969	183,597

	Liabilities 2020 £	Liabilities 2019 £
<b>Company</b>		
Accelerated capital allowances	199,969	183,597

	Group 2020 £	Company 2020 £
<b>Movements in the year:</b>		
Liability at 1 September 2019	183,597	183,597
Charge to profit or loss	16,372	16,372
Liability at 31 August 2020	199,969	199,969

The deferred tax liability set out above is expected to reverse in the future and relates to accelerated capital allowances.

### 20 Retirement benefit schemes

	2020 £	2019 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	79,621	68,246

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.

### 21 Share capital

	2020 Number	2019 Number	2020 £	2019 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A shares of 0.001p each	100,000	1	1	1
Ordinary B shares of 0.001p each	100,000	1	1	1
	200,000	2	2	2

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 21 Share capital

(Continued)

On 28 November 2019, the ordinary A shares of £1 each and ordinary B shares of £1 each were subdivided into ordinary A and ordinary B shares of £0.00001 each.

The A ordinary shares and B ordinary shares both confer rights on their holders to receive notice of and attend, speak and vote at all meetings of the company but the A ordinary shares are entitled to 95% of the votes cast and the B ordinary shares are entitled to 5% of the votes cast.

Dividends are paid to the ordinary A shareholders and ordinary B shareholders as if such shares constituted one class of share.

In all other respects the share classes rank pari passu.

### 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 2020 £	2019 £	Company 2020 £	2019 £
Within one year	283,823	67,280	283,823	67,280
Between two and five years	696,063	916,503	696,063	916,503
	<u>979,886</u>	<u>983,783</u>	<u>979,886</u>	<u>983,783</u>

### 23 Related party transactions

#### Transactions with related parties

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2020 £	2019 £
Company		
Key management personnel	-	1,887

### 24 Controlling party

The ultimate controlling party is Mr Rupert John Williams, the sole director and a shareholder of UK Parking Control Limited.

# UK PARKING CONTROL LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 25 Cash (absorbed by)/generated from group operations

	2020 £	2019 £
Profit for the year after tax	243,574	1,002,467
<b>Adjustments for:</b>		
Taxation (credited)/charged	(78,536)	285,752
Finance costs	1,220	-
Investment income	(154)	(540)
Depreciation and impairment of tangible fixed assets	390,326	336,617
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(10,951)	3,465
Increase in debtors	(515,997)	(449,339)
(Decrease)/increase in creditors	(38,155)	731,465
<b>Cash (absorbed by)/generated from operations</b>	<b>(8,673)</b>	<b>1,909,887</b>

### 26 Analysis of changes in net funds/(debt) - group

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash at bank and in hand	605,298	(55,708)	549,590
Borrowings excluding overdrafts	-	(600,000)	(600,000)
	<u>605,298</u>	<u>(655,708)</u>	<u>(50,410)</u>