

Company Registration No. 07352099 (England and Wales)

GMS (PARKING) LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019

PAGES FOR FILING WITH REGISTRAR

GMS (PARKING) LIMITED

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GMS (PARKING) LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	2	34,315		32,552	
Investment properties	3	9,700,000		10,127,238	
		<u>9,734,315</u>		<u>10,159,790</u>	
Current assets					
Debtors	4	373,991		673,593	
Cash at bank and in hand		101,107		87,313	
		<u>475,098</u>		<u>760,906</u>	
Creditors: amounts falling due within one year	5	<u>(296,282)</u>		<u>(2,132,012)</u>	
Net current assets/(liabilities)		<u>178,816</u>		<u>(1,371,106)</u>	
Total assets less current liabilities		<u>9,913,131</u>		<u>8,788,684</u>	
Creditors: amounts falling due after more than one year	6	<u>(1,595,640)</u>		<u>(12,958,575)</u>	
Net assets/(liabilities)		<u><u>8,317,491</u></u>		<u><u>(4,169,891)</u></u>	
Capital and reserves					
Called up share capital	7	2		1	
Profit and loss reserves		8,317,489		(4,169,892)	
Total equity		<u><u>8,317,491</u></u>		<u><u>(4,169,891)</u></u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

GMS (PARKING) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2019

The financial statements were approved by the board of directors and authorised for issue on 26 May 2020 and are signed on its behalf by:

Mr S C Dance
Director

Company Registration No. 07352099

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and the preceding year.

1.1 Basis of accounting

GMS (Parking) Limited is a company incorporated in the United Kingdom under the Companies Act.

The company is a private Company limited by shares and is registered in England and Wales. The address of the company's registered office is shown at the beginning of these accounts.

The principal activities of the company are set out in the Directors' Report on pages 1 to 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102), and with the Companies Act 2006.

The functional currency of GMS (Parking) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates

GMS (Parking) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to the presentation of a cash flow statement. GMS (Parking) Limited is consolidated in the financial statements of its ultimate parent entity, GMS Parking Holdco Limited, whose financial statements may be obtained at Kintyre House, 70 High Street, Fareham, Hampshire, PO16 7BB.

1.2 Turnover

Turnover represents rental income received from investment properties during the course of the year. Rental income is deferred over the rental contract term and recognised on the date that it is receivable. Turnover is stated net of VAT and is wholly derived from the United Kingdom.

1.3 Other income

Other income represents car parking income earned on assets under construction. Car park income is deferred over the licence contract term and recognised on the date that it is receivable. Other income is stated net of VAT and is wholly derived from the United Kingdom.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Furniture, fittings and equipment	15% Straight line
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Investment properties for which the fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.5 Deferred taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Balance sheet date. Deferred tax is measured on a non-discounted basis.

1.6 Wages and remuneration

The directors are not remunerated by the company and the company has no employees in either year.

1.7 Going concern

In considering the appropriateness of the going concern basis the Board have reviewed the key risks and uncertainties to which they believe the company is exposed, the company's ongoing financial commitments and the availability of sufficient resources for the next twelve months and beyond.

The company meets its day to day working capital requirements using intercompany borrowing facilities. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility. As the company is not profitable and has net liabilities, the directors are in receipt of a letter of support from Student Castle Limited, a parent company, who will provide sufficient financial support to the company to enable it to meet its financial liabilities as and when they fall due, for a period not less than 12 months from the date of signing the financial statements.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.8 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

i. Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a. The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b. The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c. The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d. There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- f. Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

i. Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. ~~If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.~~

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.9 Group financial statements

The company is exempt from the requirement to prepare and deliver group financial statements on the basis that the company's results are included in the consolidated financial statements of GMS Parking Holdco Limited, a Company registered in England and Wales and whose financial statements may be obtained at Kintyre House, 70 High street, Fareham, Hampshire, PO16 7BB.

1.10 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

2 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 September 2018	88,769
Additions	10,560
	<hr/>
At 31 August 2019	99,329
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Depreciation and impairment	
At 1 September 2018	56,217
Depreciation charged in the year	8,797
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At 31 August 2019	65,014
	<hr/>
Carrying amount	
At 31 August 2019	34,315
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At 31 August 2018	32,552
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3 Investment property

	2019 £
Fair value	
At 1 September 2018	10,127,238
Additions	961,139
Revaluations	(1,388,377)
	<hr/>
At 31 August 2019	9,700,000
	<hr/>

Investment property held at the year end relates to a number of properties that have been acquired in the current year and previous years and initially recognised at cost. The directors carried out a valuation on 31 August 2019 and valued the investment property at £9,700,000. The valuation was carried out by Mr C Cade, a member of the Royal Institute of Chartered Surveyors.

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	47,922	15,814
Other debtors	181,652	516,436
	<hr/>	<hr/>
	229,574	532,250
	<hr/>	<hr/>
Deferred tax asset	144,417	141,343
	<hr/>	<hr/>
	373,991	673,593
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GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Debtors (Continued)

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	160,056	1,955,455
Other creditors	136,226	176,557
	<u>296,282</u>	<u>2,132,012</u>

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings	1,595,640	-
Other creditors	-	12,958,575
	<u>1,595,640</u>	<u>12,958,575</u>

Other loans of £12,958,575 as at 31 August 2018 were settled during the year, see share capital note for further details.

7 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
2 Ordinary share of £1 each	<u>2</u>	<u>1</u>

On 10 September 2018 the company issued 1 ordinary share of £1 for total consideration of £13,006,095. The difference between the nominal value and the consideration was credited to the share premium account. Consideration for the shares was settled by way of a novation from GMS Parking Limited to GMS Parking Holdco Limited of a loan balance owed to Student Castle Limited.

Subsequently a share capital reduction was carried out in order to capitalise the share premium account into the profit and loss reserve account.

8 Parent company

The direct and ultimate parent company is GMS Parking Holdco Limited, a company registered in England and Wales. The company's results are included in the consolidated financial statements of GMS Parking Holdco Limited, whose financial statements are publicly available and may be obtained at Kintyre House, 70 High Street, Fareham, Hampshire, PO16 7BB. This is the largest and smallest group into which the results of the company are consolidated.

The ultimate controlling parties of GMS Parking Holdco Limited are the shareholders: Sir C Dunstone; Mr P Morton; Mr C Cade; Mr R Taylor; Mr R Clarkson; Mr J Eckbert; Mr J Gildersleeve; Mr T Morris; Mrs J Hawthorn; and Mr S Dance. Sir C Dunstone, due to the size of his shareholding, has significant influence over GMS Parking Holdco Limited.

GMS (PARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Related party relationships and transactions

The company has taken advantage of the exemption available under FRS 102, Section 33: Related Party Disclosures whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

10 Events after the reporting date

There were no post balance sheet events identified that require adjustment to or disclosure within the financial statements.

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.