

Company Registration No. 02276171 (England and Wales)

**PARKARE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

## **PARKARE LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	J B Bostock A Menuzzo C J R Wilson D Pagram
<b>Secretary</b>	C J R Wilson
<b>Company number</b>	02276171
<b>Registered office</b>	Unit 108 Longmead Road Emersons Green Bristol BS16 7FG
<b>Auditor</b>	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
<b>Bankers</b>	HSBC Plc 17 High Street Melton Mowbray Leicestershire LE13 0TY

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## **PARKARE LIMITED**

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## **PARKARE LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present the strategic report for the year ended 31 December 2019.

#### **Fair review of the business**

The results for the year are shown in the Statement of Comprehensive Income for the year, which are set out on page 7. Total turnover for 2019 was down on the previous year and total expenditure increased marginally. Overall, the accounts for 2019 show an operating and pre-tax profit.

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

The success of the company depends upon its reputation as a supplier and servicing of top quality Car Park Access entry equipment. Our sales are quite sensitive to downturns in economy, although maintaining high levels of security is often a high priority in such times. As all our main purchases are from the EU, the political uncertainty and the downturn in the EURO/GBP exchange rate leaves us vulnerable to further changes in rate. The directors believe that the supply chain will be managed well to avoid disruption.

#### **Covid 19**

The emergence of the Covid-19 pandemic has raised significant uncertainty throughout the global economy, since the date of our balance sheet. In support of the government's recommendations to bring the pandemic under control, we have introduced additional measures to ensure safety is maintained and our business operations can continue. Staff members who were able to work remotely were advised to do so, which helped maintain social distancing recommendations for all staff and reduce overall risk.

Throughout 2020, the directors have continued to review and assess in much detail the impact of the pandemic. The company has prepared for reduced levels of income and increased costs. The company continues to monitor the impact of Covid-19 and is adapting measures as required to ensure safe and successful operations can continue.

#### **Business review and future developments**

Turnover has fallen by 0.6% to £2,957,443 (2018 - £2,975,661) as a result of decreased activity regarding sales of the vehicle parking access and revenue control systems.

At 31 December 2019 the company had net assets of £1,363,976 (2018 - £1,360,997). All changes to fixed assets are shown in the notes to the accounts.

The directors have considered the forecast results for the forthcoming year and believe that the company will continue to trade in line with the anticipated financial results.

#### **Key performance indicators**

Key performance indicators are considered to be:

- Inventory Turnover
- Inventory Value
- Gross Profit Margin
- Net Profit Margin
- Total Sales
- Sales Growth

**PARKARE LIMITED**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Position of the company at the year end**

At the end of the year, the company had substantial net assets, improving on the position from last year. All changes to fixed assets are shown in the notes to the accounts.

By order of the board

C J R Wilson

**Secretary**

30 September 2020

## **PARKARE LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their annual report and financial statements for the year ended 31 December 2019.

#### **Principal activities**

The company's principal activity is, and will continue to be, the design, supply, installation and maintenance of vehicle parking access and revenue control systems for both on-street and off-street applications within the UK market. The company supplies, and will continue to supply, directly and indirectly to both private and public organisations and uses a variety of methods to engage with prospective and current clients in order to enhance market share and competitive advantage.

#### **Directors**

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

J B Bostock  
A Menuzzo  
C J R Wilson  
D Pagram

#### **Auditor**

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

#### **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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

**PARKARE LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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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 company's auditor 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 company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

C J R Wilson  
Secretary

30 September 2020

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PARKARE LIMITED**

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**Opinion**

We have audited the financial statements of Parkare Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, the balance sheet 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 company's affairs as at 31 December 2019 and of its 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF PARKARE LIMITED**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in 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.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF PARKARE LIMITED**

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**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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

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

**David Allum (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

30 September 2020

**Chartered Accountants**  
**Statutory Auditor**

**PARKARE LIMITED****STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
Turnover	3	2,957,443	2,975,661
Cost of sales		(1,823,348)	(1,767,524)
<b>Gross profit</b>		<b>1,134,095</b>	<b>1,208,137</b>
Administrative expenses		(1,137,471)	(1,159,303)
<b>Operating (loss)/profit</b>	4	<b>(3,376)</b>	<b>48,834</b>
Interest receivable and similar income	6	6,355	8,214
<b>Profit before taxation</b>		<b>2,979</b>	<b>57,048</b>
Tax on profit	7	-	(13,137)
<b>Profit for the financial year</b>		<b>2,979</b>	<b>43,911</b>
Retained earnings brought forward		1,235,997	1,192,086
Retained earnings carried forward		<u>1,238,976</u>	<u>1,235,997</u>

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

**PARKARE LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2019**

		<b>2019</b>		<b>2018</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>8</b>		193,840		32,937
<b>Current assets</b>					
Stocks	<b>9</b>	1,313,023		1,470,195	
Debtors falling due after more than one year	<b>10</b>	32,094		61,081	
Debtors falling due within one year	<b>10</b>	495,316		510,984	
Cash at bank and in hand		68,246		35,699	
		<u>1,908,679</u>		<u>2,077,959</u>	
<b>Creditors: amounts falling due within one year</b>	<b>12</b>	<u>(731,016)</u>		<u>(749,899)</u>	
<b>Net current assets</b>			<u>1,177,663</u>		<u>1,328,060</u>
<b>Total assets less current liabilities</b>			<u>1,371,503</u>		<u>1,360,997</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>13</b>		(7,527)		-
<b>Net assets</b>			<u><u>1,363,976</u></u>		<u><u>1,360,997</u></u>
<b>Capital and reserves</b>					
Called up share capital	<b>15</b>		100,000		100,000
Capital redemption reserve	<b>16</b>		25,000		25,000
Profit and loss reserves	<b>16</b>		1,238,976		1,235,997
<b>Total equity</b>			<u><u>1,363,976</u></u>		<u><u>1,360,997</u></u>

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

**PARKARE LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2019**

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The financial statements were approved by the board of directors and authorised for issue on 30 September 2020 and are signed on its behalf by:

C J R Wilson

**Director**

**Company Registration No. 02276171**

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

##### **Company information**

Parkare Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 108, Longmead Road, Emersons Green, Bristol, BS16 7FG.

##### **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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This 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:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- 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' – Carrying amounts, 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;

The financial statements of the company are consolidated in the financial statements of CAME Group S.p.A. These consolidated financial statements are available from its registered office.

##### **1.2 Going concern**

After making enquiries, the directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors believe that the Company is well placed to manage its business risks successfully despite the current economic uncertainty. Accordingly, they continue to adopt the going concern basis in preparing the Report and Financial Statements.

Confirmation that financial support will be provided for a period of at least 12 months from the date of approval of the financial statements has been received Came BPT UK Limited, the immediate parent company at the time of preparation of the financial statements. The directors believe that this support will allow the Company to continue its trading activities for the foreseeable future.

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

##### **1.3 Turnover**

Turnover, which is stated net of value added tax, represents amounts derived from the provision of goods and services to third parties, except for long term agreements which are calculated as the proportion of total agreement value which costs incurred to date bear to total expected costs for that agreement. Revenues derived from variations on long term agreements are recognised only when they have been accepted by the customer. Full provision is made for losses on all agreements in the period in which they are first foreseen. Revenue from the supply of maintenance agreements is spread evenly over the term of the related agreement.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

Revenue from contracts for the provision of maintenance and service is recognised on a straight line basis over the life of the contract with reference to when scheduled maintenance visits have been completed.

##### **1.4 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:

Land and buildings Leasehold	over the remaining period of the lease
Plant and machinery	25% to 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 credited or charged to profit or loss.

##### **1.5 Impairment of fixed assets**

At each reporting period end date, the company 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.

Recoverable amount is the higher of fair value less costs to sell and value in use.

##### **1.6 Stocks**

Stocks, including work-in-progress, are stated at the lower of cost and net realisable value. Costs include materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Provision is made for obsolete, slow-moving or defective items where appropriate.

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

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.

##### **1.7 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.

##### **1.8 Financial instruments**

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### ***Classification of financial liabilities***

Financial liabilities are classified according to the substance of the contractual arrangements entered into.



## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

#### **1.9 Taxation**

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

##### ***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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **1.10 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.

#### **1.11 Retirement benefits**

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

#### **1.12 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

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 leases asset are consumed.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of leases.

#### **1.13 Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances denominated in a foreign currency are translated into sterling at the exchange rate ruling at the balance sheet date if appropriate.

All exchange differences are taken to the profit and loss account as they arise.

#### **1.14 Covid 19**

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United Kingdom. In March 2020 the government introduced various restrictions and social distancing rules which had a short term impact on sales that has subsequently returned. The company has good cash flow and is able to meet its debts as they fall due for at least 12 months from the approval of the financial statements. The Company's evaluation of the effects of these events is ongoing, however due to the timing of the pandemic in the United Kingdom the directors do not believe it to have a direct impact on the 31 December 2019 reporting period.

The directors are actively working with customers to manage and mitigate the impact to COVID-19 on the Company's operations, liquidity and resulting Net Asset Value and on review currently do not consider there to be a significant impact on their ability to continue as a going concern for the foreseeable future.

The company are continually reviewing and monitoring the expected impact of COVID-19 and should it have any impact on the value of their assets and liabilities this will be recognised in the accounting period to which it relates.

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **1 Accounting policies**

**(Continued)**

##### **1.15 Transactions as lessor**

Finance leases - Equipment leased under finance lease is deemed to be sold at normal end user selling prices, the value of which is included in turnover at the inception of the lease. Income from finance lease rentals (after deducting the proportion attributable to maintenance) is recognised over the contractual period of the lease so as to give a constant periodic rate of return on the net cash investment in the lease each period.

The net cash investment in the lease is amortised, within the contractual period, on a straight line basis so as to match the diminution in the economic value of the underlying assets. All leases are amortised over the contractual period to a nil residual value.

Provision is made for the expected level of unrecovered losses on early termination.

#### **2 Judgements and key sources of estimation uncertainty**

In the application of the company'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.

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Revenue recognition**

The directors judge that contracts for providing support services should be recognised on a straight line basis over the life span of contracts to provide support.

##### **Stock provisions**

The directors judge that stock should be reviewed on a line by line basis with provision made in full for any items of stock, which in the opinion of the directors, may sell for less than its original cost.

#### **3 Turnover and other revenue**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Sales of goods and services	2,957,443	2,975,661
	<u>          </u>	<u>          </u>

**PARKARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>3 Turnover and other revenue</b>		<b>(Continued)</b>	
	<b>2019</b>	<b>2018</b>	
	<b>£</b>	<b>£</b>	
<b>Other significant revenue</b>			
Interest income	6,355	8,214	
	<u>          </u>	<u>          </u>	
	<b>2019</b>	<b>2018</b>	
	<b>£</b>	<b>£</b>	
<b>Turnover analysed by geographical market</b>			
United Kingdom	2,957,443	2,975,661	
	<u>          </u>	<u>          </u>	
<b>4 Operating (loss)/profit</b>		<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
Operating (loss)/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	8,534	12,677	
Depreciation of owned tangible fixed assets	28,128	28,292	
Operating lease charges	90,837	91,811	
	<u>          </u>	<u>          </u>	
<b>5 Employees</b>		<b>2019</b>	<b>2018</b>
		<b>Number</b>	<b>Number</b>
Production, sales and service			
	22	32	
Management and customer administration			
	16	8	
	<u>          </u>	<u>          </u>	
Total	38	40	
	<u>          </u>	<u>          </u>	

**PARKARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**5 Employees** (Continued)

Their aggregate remuneration comprised:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,016,727	971,007
Social security costs	96,513	107,542
Pension costs	46,320	45,026
	<u>1,159,560</u>	<u>1,123,575</u>
Redundancy payments made or committed	<u>2,404</u>	<u>6,250</u>

**6 Interest receivable and similar income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Other interest income	<u>6,355</u>	<u>8,214</u>

**7 Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>-</u>	<u>13,137</u>

The tax charge for the year is the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%).

**PARKARE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019****7 Taxation****(Continued)**

The actual 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:

	2019 £	2018 £
Profit before taxation	2,979	57,048
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	566	10,839
Tax effect of expenses that are not deductible in determining taxable profit	50	156
Change in unrecognised deferred tax assets	(1,117)	1,768
Effect of change in corporation tax rate	-	182
Depreciation on assets not qualifying for tax allowances	501	192
Taxation charge for the year	-	13,137

**8 Tangible fixed assets**

	Land and buildings Leasehold £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 January 2019	165,312	409,762	575,074
Additions	-	189,031	189,031
At 31 December 2019	165,312	598,793	764,105
<b>Depreciation and impairment</b>			
At 1 January 2019	160,939	381,198	542,137
Depreciation charged in the year	2,640	25,488	28,128
At 31 December 2019	163,579	406,686	570,265
<b>Carrying amount</b>			
At 31 December 2019	1,733	192,107	193,840
At 31 December 2018	4,373	28,564	32,937

**PARKARE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019****9 Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Raw materials and consumables	1,184,282	1,086,193
Work in progress	61,623	133,558
Finished goods and goods for resale	67,118	250,444
	<u>1,313,023</u>	<u>1,470,195</u>

Included within stock is a provision of £101,926 (2018: £65,498).

**10 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	373,776	369,804
Finance leases receivable	28,987	58,463
Other debtors	951	2,501
Prepayments and accrued income	91,602	80,216
	<u>495,316</u>	<u>510,984</u>

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year:</b>		
Finance leases receivable	<u>32,094</u>	<u>61,081</u>
<b>Total debtors</b>	<u>527,410</u>	<u>572,065</u>

Included within trade debtors is a bad debt provision of £10,942 (2018: £5,184).

**PARKARE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019****11 Finance lease receivables**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Gross amounts receivable under finance leases:		
Within one year	28,987	58,463
In two to five years	32,094	61,081
	<u>61,081</u>	<u>119,544</u>
Present value of minimum lease payments receivable	<u>61,081</u>	<u>119,544</u>
The present value is receivable as follows:		
Within one year	28,987	58,463
In two to five years	32,094	61,081
	<u>61,081</u>	<u>119,544</u>

**Analysis of finance leases**

The company enters into financial leasing arrangements for its parking ticket machines. The average term of finance leases entered into is 3 years.

**12 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	318
Trade creditors	75,559	108,544
Amounts owed to group undertakings	165,096	139,434
Corporation tax	-	13,137
Other taxation and social security	84,584	101,788
Accruals and deferred income	405,777	386,678
	<u>731,016</u>	<u>749,899</u>

**13 Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	<u>7,527</u>	<u>-</u>



**PARKARE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019****14 Retirement benefit schemes**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	46,320	45,026
	<u>          </u>	<u>          </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

**15 Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
	<u>          </u>	<u>          </u>

**16 Reserves****Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the company.

**Profit and loss reserves**

Includes all current and prior period retained profits and losses.

**17 Operating lease commitments****Lessee**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Within one year	190,726	170,496
Between two and five years	207,870	242,478
	<u>          </u>	<u>          </u>
	398,596	412,974
	<u>          </u>	<u>          </u>

## **PARKARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **18 Ultimate controlling party**

The immediate parent company is CAME BPT UK Limited by virtue of the 100% ownership of the allotted share capital of the company.

The ultimate parent company and controlling party at 31 December 2019 is CAME GROUP S.p.A, which owns 100% of the share capital of CAME BPT UK Limited. CAME GROUP S.p.A. is a company registered in Italy and represents the smallest and largest group of which the company is a member for which group financial statements are prepared. Financial statements are available upon request from CAME GROUP S.p.A. Viale delle Industrie, 89/C 31030 Dosson di casier, Treviso, Italy.

#### **19 Related party transactions**

The company has taken advantage of the exemption available under section 33.11A of FRS 102 not to disclose related party transactions with other group undertakings as it is a wholly owned subsidiary of CAME GROUP S.p.A.

#### **Key management personnel**

Key management personnel represents the directors as they alone have the authority and responsibility for planning, directing and controlling the activities of the company.

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.