

Company Registration No. 02878122 (England and Wales)

EXCEL PARKING SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016



EXCEL PARKING SERVICES LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--------------------------------------------------------------------------|
| Directors | S Renshaw-Smith A Cockcroft |
| Secretary | K Gillott |
| Company number | 02878122 |
| Registered office | Unit 2 Europa Court Sheffield Business Park Sheffield S9 1XE |
| Auditor | BHP, Chartered Accountants 2 Rutland Park Sheffield S10 2PD |
| Bankers | Royal Bank of Scotland plc Church Street Sheffield S1 1HF |

EXCEL PARKING SERVICES LIMITED

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EXCEL PARKING SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2016

The directors present the strategic report for the year ended 30 April 2016.

Fair review of the business

This review aims to present a balanced and comprehensive review of the development and performance of the group during the financial year and of its position at the year-end. The review is consistent with the size and complexity of the business and is written in the context of the risks and uncertainties faced by the business.

The group continues to provide and operate car parking facilities for its customers located across the UK, and the year saw continued success in gaining new contracts, whilst at the same time retaining existing contracts.

The year saw a continuation of growing operations and a strong gross profit illustrated by a gross profit result of £7,139k compared to the previous year of £5,782k, with the company also making further investment in new processes, resources and technologies to accommodate this growth increase.

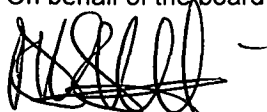
Prior years investment in operational infrastructure and technology is reflected in an increased operating profit level of £2,549k, compared to a prior year figure of 1,107k.

The Group will continue to analyse the industry and associated sectors with a view to identifying potentially enhancing acquisition opportunities. We will also explore new routes to market, both nationally and internationally.

Principal risks and uncertainties

The business environment in which the group operates continues to be a dynamic, customer driven market. The Directors of the business bear in mind all known risks and uncertainties in making plans for the future development of the group. However, they are aware that these plans may be subject to unforeseen future events outside of the group's control.

On behalf of the board



S Renshaw-Smith

Director

23 December 2016

EXCEL PARKING SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

The directors present their annual report and financial statements for the year ended 30 April 2016.

Principal activities

The principal activity of the company is the provision and management of car parking facilities.

Directors

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

S Renshaw-Smith
A Cockcroft

Results and dividends

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

Ordinary dividends were paid amounting to £550,000. The directors do not recommend payment of a further dividend.

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Auditor

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

EXCEL PARKING SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

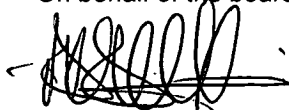
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 and group 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 and group is aware of that information.

On behalf of the board



S Renshaw-Smith

Director

23 December 2016

EXCEL PARKING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXCEL PARKING SERVICES LIMITED

We have audited the financial statements of Excel Parking Services Limited for the year ended 30 April 2016 set out on pages 6 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 April 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

EXCEL PARKING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EXCEL PARKING SERVICES LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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.

John Warner (Senior Statutory Auditor)
for and on behalf of BHP, Chartered Accountants

23/12/2016

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

EXCEL PARKING SERVICES LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2016

| | Notes | 2016 £ | 2015 £ |
|----------------------------------------|-------|------------------|------------------|
| Turnover | 3 | 15,220,251 | 13,698,918 |
| Cost of sales | | (8,081,614) | (7,916,755) |
| Gross profit | | 7,138,637 | 5,782,163 |
| Distribution costs | | (1,513,599) | (1,453,803) |
| Administrative expenses | | (3,076,390) | (3,221,648) |
| Operating profit | 4 | 2,548,648 | 1,106,712 |
| Interest receivable and similar income | 8 | 25,397 | 20,222 |
| Interest payable and similar charges | 9 | (14,391) | (16,033) |
| Profit before taxation | | 2,559,654 | 1,110,901 |
| Taxation | 10 | (512,577) | (231,455) |
| Profit for the financial year | | 2,047,077 | 879,446 |

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

EXCEL PARKING SERVICES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2016

| | 2016 £ | 2015 £ |
|-----------------------------------------|------------------|----------------|
| Profit for the year | 2,047,077 | 879,446 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>2,047,077</u> | <u>879,446</u> |

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

EXCEL PARKING SERVICES LIMITED

GROUP BALANCE SHEET

AS AT 30 APRIL 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|-------------------------------------------------------|-------|-------------------------|---|-------------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 13 | 2,348,605 | | 2,322,329 | |
| Investments | 14 | 6,500 | | 6,500 | |
| | | <u>2,355,105</u> | | <u>2,328,829</u> | |
| Current assets | | | | | |
| Stocks | 17 | 157,375 | | 103,360 | |
| Debtors | 18 | 4,322,028 | | 3,738,567 | |
| Cash at bank and in hand | | 5,585,422 | | 4,467,369 | |
| | | <u>10,064,825</u> | | <u>8,309,296</u> | |
| Creditors: amounts falling due within one year | 19 | <u>(5,165,667)</u> | | <u>(4,897,689)</u> | |
| Net current assets | | <u>4,899,158</u> | | <u>3,411,607</u> | |
| Total assets less current liabilities | | <u>7,254,263</u> | | <u>5,740,436</u> | |
| Provisions for liabilities | 21 | <u>(51,750)</u> | | <u>(35,000)</u> | |
| Net assets | | <u><u>7,202,513</u></u> | | <u><u>5,705,436</u></u> | |
| Capital and reserves | | | | | |
| Called up share capital | 23 | 150 | | 150 | |
| Share premium account | | 349,950 | | 349,950 | |
| Profit and loss reserves | | 6,852,413 | | 5,355,336 | |
| Total equity | | <u><u>7,202,513</u></u> | | <u><u>5,705,436</u></u> | |

The financial statements were approved by the board of directors and authorised for issue on 23 December 2016 and are signed on its behalf by:



S Renshaw-Smith
Director

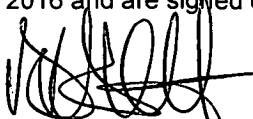
EXCEL PARKING SERVICES LIMITED

COMPANY BALANCE SHEET

AS AT 30 APRIL 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|-------------------------------------------------------|-------|------------------|---|------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 13 | 2,167,596 | | 2,168,315 | |
| Investments | 14 | 30,000 | | 30,000 | |
| | | <u>2,197,596</u> | | <u>2,198,315</u> | |
| Current assets | | | | | |
| Stocks | 17 | 145,841 | | 101,937 | |
| Debtors | 18 | 3,767,421 | | 3,652,807 | |
| Cash at bank and in hand | | 4,957,353 | | 4,036,843 | |
| | | <u>8,870,615</u> | | <u>7,791,587</u> | |
| Creditors: amounts falling due within one year | 19 | (4,516,495) | | (4,457,543) | |
| Net current assets | | <u>4,354,120</u> | | <u>3,334,044</u> | |
| Total assets less current liabilities | | <u>6,551,716</u> | | <u>5,532,359</u> | |
| Provisions for liabilities | 21 | (30,000) | | (21,000) | |
| Net assets | | <u>6,521,716</u> | | <u>5,511,359</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 23 | 150 | | 150 | |
| Share premium account | | 349,950 | | 349,950 | |
| Profit and loss reserves | | 6,171,616 | | 5,161,259 | |
| Total equity | | <u>6,521,716</u> | | <u>5,511,359</u> | |

The financial statements were approved by the board of directors and authorised for issue on 23 December 2016 and are signed on its behalf by:



S Renshaw-Smith
Director

Company Registration No. 02878122

EXCEL PARKING SERVICES LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

| | Notes | Share capital £ | Share premium account £ | Profit and loss reserves £ | Total £ |
|----------------------------------------------------|-------|--------------------|----------------------------|-------------------------------|------------|
| Balance at 1 May 2014 | | 150 | 349,950 | 4,641,890 | 4,991,990 |
| Year ended 30 April 2015: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 879,446 | 879,446 |
| Dividends | 11 | - | - | (166,000) | (166,000) |
| Balance at 30 April 2015 | | 150 | 349,950 | 5,355,336 | 5,705,436 |
| Year ended 30 April 2016: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 2,047,077 | 2,047,077 |
| Dividends | 11 | - | - | (550,000) | (550,000) |
| Balance at 30 April 2016 | | 150 | 349,950 | 6,852,413 | 7,202,513 |

EXCEL PARKING SERVICES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

| | Notes | Share capital £ | Share premium account £ | Profit and loss reserves £ | Total £ |
|----------------------------------------------------|-------|--------------------|----------------------------|-------------------------------|------------|
| Balance at 1 May 2014 | | 150 | 349,950 | 4,436,112 | 4,786,212 |
| Year ended 30 April 2015: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 891,147 | 891,147 |
| Dividends | 11 | - | - | (166,000) | (166,000) |
| Balance at 30 April 2015 | | 150 | 349,950 | 5,161,259 | 5,511,359 |
| Year ended 30 April 2016: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 1,560,357 | 1,560,357 |
| Dividends | 11 | - | - | (550,000) | (550,000) |
| Balance at 30 April 2016 | | 150 | 349,950 | 6,171,616 | 6,521,716 |

EXCEL PARKING SERVICES LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|--------------------------------------------------|-------|-------------------------|---|-------------------------|---|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 26 | 2,664,949 | | 1,850,870 | |
| Interest paid | | (14,391) | | (16,033) | |
| Income taxes paid | | (226,199) | | (272,040) | |
| Net cash inflow from operating activities | | <u>2,424,359</u> | | <u>1,562,797</u> | |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (306,963) | | (303,195) | |
| Proceeds on disposal of tangible fixed assets | | 21,623 | | 18,809 | |
| Proceeds from other investments and loans | | (1,000) | | - | |
| Interest received | | <u>25,397</u> | | <u>20,222</u> | |
| Net cash used in investing activities | | (260,943) | | (264,164) | |
| Financing activities | | | | | |
| Repayment of bank loans | | (495,363) | | (57,784) | |
| Payment of finance leases obligations | | - | | (10,591) | |
| Dividends paid to equity shareholders | | <u>(550,000)</u> | | <u>(166,000)</u> | |
| Net cash used in financing activities | | <u>(1,045,363)</u> | | <u>(234,375)</u> | |
| Net increase in cash and cash equivalents | | 1,118,053 | | 1,064,258 | |
| Cash and cash equivalents at beginning of year | | <u>4,467,369</u> | | <u>3,403,111</u> | |
| Cash and cash equivalents at end of year | | <u><u>5,585,422</u></u> | | <u><u>4,467,369</u></u> | |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

Company information

Excel Parking Services Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Unit 4, Europa Court, Sheffield Business Park, Sheffield, S9 1XE.

The group consists of Excel Parking Services 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, 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.

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 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;
- 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.

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 £1,560,357 (2015 - £891,147 profit).

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

1.2 Basis of consolidation

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.

The consolidated financial statements incorporate those of Excel Parking Services Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 April 2016. 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.

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 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 Freehold | Nil |
| Land and buildings Leasehold | Straight line over lease term |
| Plant and machinery | 10%/20% straight line |
| Fixtures, fittings & equipment | Up to 10 years / 25% straight line |
| Motor vehicles | 25% 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.

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

1.6 Fixed asset investments

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

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

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.9 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.

1.10 Financial instruments

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

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

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

Basic financial assets

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

Impairment of financial assets

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

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

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, 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 receipts 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.

1.11 Equity instruments

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

1.12 Taxation

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

Current tax

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

Deferred tax

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

1.13 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.

1.14 Retirement benefits

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

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

(Continued)

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

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

| | 2016 £ | 2015 £ |
|---------------------------------------------------|------------|------------|
| Turnover | | |
| Provision and management of carparking facilities | 15,220,251 | 13,698,918 |

Other significant revenue

| | | |
|-----------------|--------|--------|
| Interest income | 25,397 | 20,222 |
|-----------------|--------|--------|

Turnover analysed by geographical market

| | 2016 £ | 2015 £ |
|----|------------|------------|
| UK | 15,220,251 | 13,698,918 |

4 Operating profit

| | 2016 £ | 2015 £ |
|---------------------------------------------------------------------|-----------|-----------|
| Operating profit for the year is stated after charging/(crediting): | | |
| Depreciation of owned tangible fixed assets | 258,113 | 274,617 |
| Depreciation of tangible fixed assets held under finance leases | (8,258) | (17,055) |
| Profit on disposal of tangible fixed assets | (7,305) | (8,416) |
| Amortisation of intangible assets | - | 1,500 |
| Cost of stocks recognised as an expense | 1,316,749 | 905,063 |
| Operating lease charges | 1,402,386 | 1,408,997 |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

5 Auditor's remuneration

| | 2016 £ | 2015 £ |
|------------------------------------------------------------|---------------|---------------|
| Fees payable to the company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the group and company | 12,000 | 9,900 |
| Audit of the company's subsidiaries | 3,325 | 3,638 |
| | <u>15,325</u> | <u>13,538</u> |

6 Employees

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

| | 2016 Number | 2015 Number |
|-----------|----------------|----------------|
| Employees | <u>334</u> | <u>319</u> |

Their aggregate remuneration comprised:

| | 2016 £ | 2015 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 5,574,533 | 5,295,586 |
| Social security costs | 316,832 | 299,089 |
| Pension costs | 27,605 | 107,935 |
| | <u>5,918,970</u> | <u>5,702,610</u> |

7 Directors' remuneration

| | 2016 £ | 2015 £ |
|---------------------------------------------------------------|----------------|----------------|
| Remuneration for qualifying services | 362,615 | 341,260 |
| Company pension contributions to defined contribution schemes | 336 | 6,297 |
| | <u>362,951</u> | <u>347,557</u> |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 2).

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

| | | |
|---------------------------------------------------------------|----------------|----------------|
| Remuneration for qualifying services | 240,000 | 240,000 |
| Company pension contributions to defined contribution schemes | 336 | 2,891 |
| | <u>240,336</u> | <u>242,891</u> |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

8 Interest receivable and similar income

| | 2016 £ | 2015 £ |
|---------------------------|-----------|-----------|
| Interest income | | |
| Interest on bank deposits | 25,397 | 20,222 |

Investment income includes the following:

| | | |
|--------------------------------------------------------------------------------|--------|--------|
| Interest on financial assets not measured at fair value through profit or loss | 25,397 | 20,222 |
|--------------------------------------------------------------------------------|--------|--------|

9 Interest payable and similar charges

| | 2016 £ | 2015 £ |
|----------------------------------------------------------------------|-----------|-----------|
| Interest on financial liabilities measured at amortised cost: | | |
| Interest on bank overdrafts and loans | 14,391 | 15,123 |
| Interest on finance leases and hire purchase contracts | - | 910 |
| | 14,391 | 16,033 |

10 Taxation

| | 2016 £ | 2015 £ |
|------------------------------------------------------|-----------|-----------|
| Current tax | | |
| UK corporation tax on profits for the current period | 498,346 | 217,124 |
| Adjustments in respect of prior periods | (669) | (669) |
| Total current tax | 497,677 | 216,455 |
| Deferred tax | | |
| Origination and reversal of timing differences | 14,900 | 15,000 |
| Total tax charge | 512,577 | 231,455 |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

10 Taxation

(Continued)

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

| | 2016 £ | 2015 £ |
|------------------------------------------------------------------------------------------------------|-----------|-----------|
| Profit before taxation | 2,559,654 | 1,110,901 |
| Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%) | 511,931 | 233,289 |
| Tax effect of expenses that are not deductible in determining taxable profit | (39,314) | 1,414 |
| Change in unrecognised deferred tax assets | (967) | 2,212 |
| Adjustments in respect of prior years | (669) | (669) |
| Effect of change in corporation tax rate | - | (5,918) |
| Other permanent differences | 1,596 | (93,163) |
| Dividend income | 40,000 | 94,290 |
| Tax expense for the year | 512,577 | 231,455 |

11 Dividends

| | 2016 £ | 2015 £ |
|--------------|-----------|-----------|
| Interim paid | 550,000 | 166,000 |

12 Intangible fixed assets

| Group | Goodwill £ |
|------------------------------------|---------------|
| Cost | |
| At 1 May 2015 and 30 April 2016 | (14,983) |
| Amortisation and impairment | |
| At 1 May 2015 and 30 April 2016 | (14,983) |
| Carrying amount | |
| At 30 April 2016 | - |
| At 30 April 2015 | - |

The company had no intangible fixed assets at 30 April 2016 or 30 April 2015.

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

13 Tangible fixed assets

| Group | Land and buildings Freehold £ | Land and buildings Leasehold £ | Plant and machinery £ | Fixtures, Motor vehicles fittings & equipment £ | Total £ |
|------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------|----------------------------------------------------------|------------|
| Cost | | | | | |
| At 1 May 2015 | 1,627,930 | 160,344 | 1,255,341 | 585,887 | 4,576,076 |
| Additions | - | - | 53,889 | 17,388 | 306,963 |
| Disposals | - | - | (1,473) | - | (48,644) |
| At 30 April 2016 | 1,627,930 | 160,344 | 1,307,757 | 603,275 | 4,834,395 |
| Depreciation and impairment | | | | | |
| At 1 May 2015 | - | 155,813 | 912,340 | 430,689 | 2,253,745 |
| Depreciation charged in the year | - | 3,871 | 100,741 | 50,478 | 266,371 |
| Eliminated in respect of disposals | - | - | - | - | (34,326) |
| At 30 April 2016 | - | 159,684 | 1,013,081 | 481,167 | 2,485,790 |
| Carrying amount | | | | | |
| At 30 April 2016 | 1,627,930 | 660 | 294,676 | 122,108 | 2,348,605 |
| At 30 April 2015 | 1,627,931 | 4,530 | 343,001 | 155,198 | 2,322,329 |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

13 Tangible fixed assets

(Continued)

| Company | Land and buildings Freehold £ | Land and buildings Leasehold £ | Plant and machinery £ | Fixtures, Motor vehicles fittings & equipment £ | Total £ |
|------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------|----------------------------------------------------------|------------|
| Cost | | | | | |
| At 1 May 2015 | 1,627,930 | 160,344 | 1,054,473 | 571,404 | 4,197,716 |
| Additions | - | - | 37,990 | 17,388 | 218,782 |
| Disposals | - | - | (1,473) | - | (48,644) |
| At 30 April 2016 | 1,627,930 | 160,344 | 1,090,990 | 588,792 | 4,367,854 |
| Depreciation and impairment | | | | | |
| At 1 May 2015 | - | 155,813 | 813,598 | 416,206 | 2,029,399 |
| Depreciation charged in the year | - | 3,871 | 71,667 | 50,478 | 205,185 |
| Eliminated in respect of disposals | - | - | - | - | (34,326) |
| At 30 April 2016 | - | 159,684 | 885,265 | 466,684 | 2,200,258 |
| Carrying amount | | | | | |
| At 30 April 2016 | 1,627,930 | 660 | 205,725 | 122,108 | 2,167,596 |
| At 30 April 2015 | 1,627,931 | 4,530 | 240,875 | 155,198 | 2,168,315 |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

14 Fixed asset investments

| | Notes | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|-----------------------------|-------|--------------------|-----------|----------------------|-----------|
| Investments in subsidiaries | 15 | 6,500 | 6,500 | 30,000 | 30,000 |

Movements in fixed asset investments Group

| | Shares in group undertakings £ |
|-------------------------------|-----------------------------------------|
| Cost or valuation | |
| At 1 May 2015 & 30 April 2016 | 6,500 |
| Carrying amount | |
| At 30 April 2016 | 6,500 |
| At 30 April 2015 | 6,500 |

Movements in fixed asset investments Company

| | Shares in group undertakings £ |
|-------------------------------|-----------------------------------------|
| Cost or valuation | |
| At 1 May 2015 & 30 April 2016 | 30,000 |
| Carrying amount | |
| At 30 April 2016 | 30,000 |
| At 30 April 2015 | 30,000 |

15 Subsidiaries

Details of the company's subsidiaries at 30 April 2016 are as follows:

| Name of undertaking and country of incorporation or residency | | Nature of business | Class of shareholding | % Held Direct Indirect | |
|------------------------------------------------------------------|----------------|-------------------------|--------------------------|---------------------------|--|
| Vehicle Control Services | United Kingdom | Vehicle Parking Control | Ordinary | 100.00 | |
| VCS (Car Park Management) Limited | United Kingdom | Dormant | Ordinary | 100.00 | |
| Conkai Security Limited | United Kingdom | Vehicle Parking control | Ordinary | 100.00 | |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

15 Subsidiaries

(Continued)

Conkai Security Limited is a 100% subsidiary of Vehicle Control Services Limited and is therefore ultimately controlled by Excel Parking Services Limited. The subsidiary is considered immaterial to the group and has therefore not been included in the consolidation

16 Financial instruments

| | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|-----------------------------------------------------|--------------------|-----------|----------------------|-----------|
| Carrying amount of financial assets | | | | |
| Debt instruments measured at amortised cost | 3,228,248 | 2,732,635 | 2,692,687 | 2,676,989 |
| Equity instruments measured at cost less impairment | 6,500 | 6,500 | 30,000 | 30,000 |
| Carrying amount of financial liabilities | | | | |
| Measured at amortised cost | 2,892,038 | 3,013,069 | 2,541,280 | 2,737,642 |

17 Stocks

| | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|-------------------------------------|--------------------|-----------|----------------------|-----------|
| Finished goods and goods for resale | 157,375 | 103,360 | 145,841 | 101,937 |

18 Debtors

| | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|---------------------------------------------|--------------------|-----------|----------------------|-----------|
| Amounts falling due within one year: | | | | |
| Trade debtors | 2,402,064 | 1,893,408 | 1,784,034 | 1,510,021 |
| Amounts due from subsidiary undertakings | 47,506 | 42,508 | 203,225 | 378,892 |
| Other debtors | 778,678 | 796,719 | 705,428 | 788,076 |
| Prepayments and accrued income | 1,083,930 | 997,932 | 1,064,884 | 967,818 |
| | 4,312,178 | 3,730,567 | 3,757,571 | 3,644,807 |
| Deferred tax asset (note 21) | 9,850 | 8,000 | 9,850 | 8,000 |
| | 4,322,028 | 3,738,567 | 3,767,421 | 3,652,807 |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

19 Creditors: amounts falling due within one year

| | Notes | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|------------------------------------|-------|--------------------|------------------|----------------------|------------------|
| Bank loans and overdrafts | 20 | - | 495,363 | - | 495,363 |
| Trade creditors | | 1,240,554 | 1,200,044 | 1,187,481 | 1,172,726 |
| Corporation tax payable | | 423,232 | 151,754 | 269,805 | 111,000 |
| Other taxation and social security | | 1,161,555 | 878,715 | 1,140,377 | 824,627 |
| Other creditors | | 1,651,484 | 1,317,662 | 1,353,799 | 1,069,553 |
| Accruals and deferred income | | 688,842 | 854,151 | 565,033 | 784,274 |
| | | <u>5,165,667</u> | <u>4,897,689</u> | <u>4,516,495</u> | <u>4,457,543</u> |

20 Loans and overdrafts

| | Group 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|-------------------------|--------------------|----------------|----------------------|----------------|
| Bank loans | - | 495,363 | - | 495,363 |
| | <u>-</u> | <u>495,363</u> | <u>-</u> | <u>495,363</u> |
| Payable within one year | - | 495,363 | - | 495,363 |
| | <u>-</u> | <u>495,363</u> | <u>-</u> | <u>495,363</u> |

21 Deferred taxation

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

| | Liabilities 2016 £ | Liabilities 2015 £ | Assets 2016 £ | Assets 2015 £ |
|--------------------------------|--------------------------|--------------------------|---------------------|---------------------|
| Group | | | | |
| Accelerated capital allowances | 51,750 | 35,000 | - | - |
| Short term timing differences | - | - | 9,850 | 8,000 |
| | <u>51,750</u> | <u>35,000</u> | <u>9,850</u> | <u>8,000</u> |
| | <u>51,750</u> | <u>35,000</u> | <u>9,850</u> | <u>8,000</u> |
| Company | | | | |
| Accelerated capital allowances | 30,000 | 21,000 | - | - |
| Short term timing differences | - | - | 9,850 | 8,000 |
| | <u>30,000</u> | <u>21,000</u> | <u>9,850</u> | <u>8,000</u> |
| | <u>30,000</u> | <u>21,000</u> | <u>9,850</u> | <u>8,000</u> |

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

21 Deferred taxation (Continued)

| | Group 2016 £ | Company 2016 £ |
|-------------------------------|--------------------|----------------------|
| Movements in the year: | | |
| Liability at 1 May 2015 | 27,000 | 13,000 |
| Charge to profit or loss | 14,900 | 7,150 |
| Liability at 30 April 2016 | <u>41,900</u> | <u>20,150</u> |

22 Retirement benefit schemes

| | 2016 £ | 2015 £ |
|---------------------------------------------------------------------|---------------|----------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>27,605</u> | <u>107,935</u> |

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.

23 Share capital

| | Group and company 2016 £ | 2015 £ |
|--------------------------------|--------------------------------|------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 150 Ordinary shares of £1 each | <u>150</u> | <u>150</u> |

24 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 2016 £ | 2015 £ | Company 2016 £ | 2015 £ |
|----------------------------|--------------------|------------------|----------------------|------------------|
| Within one year | 1,407,705 | 1,478,645 | 1,407,705 | 1,478,645 |
| Between two and five years | 1,990,348 | 3,166,825 | 1,990,348 | 3,166,825 |
| In over five years | 130,911 | 284,183 | 130,911 | 284,183 |
| | <u>3,528,964</u> | <u>4,929,653</u> | <u>3,528,964</u> | <u>4,929,653</u> |

25 Related party transactions

No guarantees have been given or received.

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

25 Related party transactions

(Continued)

(i) Excel Parking Services Limited Directors Pension Plan

During the year Excel Parking Services Limited paid an annual service charge for the administration of the pension scheme of £nil (2015: £2,680).

(ii) ANPR International Limited

S Renshaw-Smith owns 100% of the share capital of ANPR International Limited and is also a director of the company.

During the year Excel Parking Services Limited made purchases of £52,001 (2015: £52,552).

Excel Parking Services Limited recharged costs incurred of £121,911 (2015: £155,052).

During the year the group made purchases of £84,139 (2015: £126,846).

The group recharged costs incurred of £122,131 (2015: £155,052).

At the year end the amount due to the company from ANPR International Limited was £408,956 (2015: £296,219).

At the year end the amount due to the group from ANPR International Limited was £252,719 (2015: £172,315)

(iii) Historic Inns Limited

S Renshaw-Smith owns 100% of the share capital of Historic Inns Limited and is also a director of the company. At the year end the amount due to Excel Parking Services Limited was £8,322 (2015: £8,322)

A loan due to Excel Parking Services Limited of £198,520 (2015: £298,520) was outstanding at the year end.

(iv) Siren Developments Limited

S Renshaw-Smith owns 100% of the share capital of Siren Developments Limited and is also a director of the company.

A loan due to Excel Parking Services Limited of £489,470 (2015: £489,470) was outstanding at the year end.

EXCEL PARKING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

26 Cash generated from group operations

| | 2016 £ | 2015 £ |
|------------------------------------------------------|------------------|------------------|
| Profit for the year after tax | 2,047,075 | 879,446 |
| Adjustments for: | | |
| Taxation charged | 512,577 | 231,455 |
| Finance costs | 14,391 | 16,033 |
| Investment income | (25,397) | (20,222) |
| Gain on disposal of tangible fixed assets | (7,305) | (8,416) |
| Amortisation and impairment of intangible assets | - | 1,500 |
| Depreciation and impairment of tangible fixed assets | 266,371 | 291,672 |
| Movements in working capital: | | |
| (Increase)/decrease in stocks | (54,015) | 12,390 |
| (Increase) in debtors | (580,611) | (190,751) |
| Increase in creditors | 491,863 | 637,763 |
| Cash generated from operations | 2,664,949 | 1,850,870 |