

Company registration number 05104383 (England and Wales)

UK PARKING CONTROL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



UK PARKING CONTROL LIMITED

COMPANY INFORMATION

Director	Rupert Williams
Secretary	Amanda Williams
Company number	05104383
Registered office	Union House 111 New Union Street Coventry CV1 2NT
Auditor	Dickinsons Enterprise House Beeson's Yard Bury Lane Rickmansworth Herts WD3 1DS
Bankers	Lloyds Bank Plc 3 Burkes Road Beaconsfield Buckinghamshire HP9 1NR

UK PARKING CONTROL LIMITED

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UK PARKING CONTROL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The director presents the strategic report for the year ended 31 August 2022.

Fair review of the business

The principal activity of the company during the year continued to be parking management.

Turnover in the period has increased as the number of sites expanded across the country coupled with improved recoverability of income through debt collection agencies.

Support costs, notably staff, have increased; together with better utilisation and efficiency of internal systems enabling further growth with a corresponding positive impact on cash and working capital.

Improved cash flow has facilitated investment to further expand sites and exploit a diversification of service arrangements.

Principal risks and uncertainties

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

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

Development and performance

The profit on ordinary activities before taxation for the year was £4,321,242 (2021: £1,829,571). Arising from sales of £24,123,535 (2021: £12,169,948)

As at 31 August 2022 the company had net assets of £6,278,658 (2021: £2,765,735).

The company has generated a surplus cash position over the year enabling continued investment at existing and new sites for equipment and staff.

Key performance indicators

The financial indicators referred to above are considered by management to be the key performance indicators of the company. In addition the management review operating margins throughout the year including gross margin, 50.3% (2021: 56.5%) and net profit margin, 17.9% (2021: 15.0%). Sites are reviewed individually to monitor operations and management efficiency.

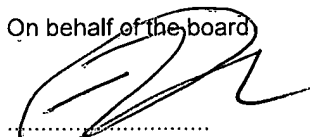
Other information and explanations

We expect the market to continue to be competitive, and with continued investment in IT systems expect to maintain market share.

Proposed legislative and legal changes by the government in early 2022 are suspended. Nonetheless, these changes may still be introduced in some form in the future.

We do not consider there is any direct or indirect impact on the company from the ongoing conflict in Ukraine or arising out of the current "cost of living crisis".

On behalf of the board



Rupert Williams
Director

Date: 1/3/22

UK PARKING CONTROL LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The director presents his annual report and financial statements for the year ended 31 August 2022.

Principal activities

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

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends paid were £376,000 (2021: £398,000). The director does not recommend payment of a final dividend.

Director

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

Rupert Williams

Auditor

Dickinsons were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of director's responsibilities

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

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

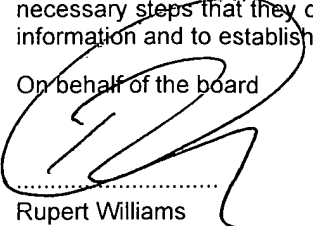
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

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

Statement of disclosure to auditor

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

On behalf of the board



Rupert Williams
Director

Date: 11/3/23

UK PARKING CONTROL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UK PARKING CONTROL LIMITED

Opinion

We have audited the financial statements of UK Parking Control Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 August 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

UK PARKING CONTROL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UK PARKING CONTROL LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the director is responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the report framework, the Companies Act 2006 and relevant tax compliance regulations;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where they considered there was a susceptibility to fraud;
- Our audit planning identified fraud risks in relation to management override. We obtained an understanding of the processes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those processes and controls;

UK PARKING CONTROL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UK PARKING CONTROL LIMITED

- With regards to the fraud risk in management override, our procedures included journal transaction testing, with a focus on large or unusual transactions based on criteria determined using our knowledge of the business and industry. We also performed an assessment on the appropriateness of key judgements and estimates, which are subject to managements' judgement and estimation, and could be subject to potential bias; and
- We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including designing audit procedures to address, for example:

- The possibility of fraudulent or corrupt payments made through third parties.
- The risk of bribery and corruption.
- The opportunity to segregate duties within the entity.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

- Using our general commercial experience and through discussions with management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either because of fraud or error.
- The engagement partner considers the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We considered the extent to which the audit was considered capable of detecting irregularities:

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

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

UK PARKING CONTROL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UK PARKING CONTROL LIMITED

Use of our report

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



Natalie Spalton
Senior Statutory Auditor
For and on behalf of Dickinsons
Chartered Accountants
Statutory Auditor

Date: 3 MARCH 2023

Enterprise House
Beeson's Yard
Bury Lane
Rickmansworth
Herts
WD3 1DS

UK PARKING CONTROL LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2022

		2022	2021
	Notes	£	as restated £
Turnover	3	24,123,535	12,169,948
Cost of sales		(11,994,022)	(5,298,825)
Gross profit		12,129,513	6,871,123
Administrative expenses		(7,780,601)	(5,809,210)
Other operating income		25,822	791,955
Operating profit	4	4,374,734	1,853,868
Interest receivable and similar income	8	5	5
Interest payable and similar expenses	9	(53,497)	(24,302)
Profit before taxation		4,321,242	1,829,571
Tax on profit	10	(432,319)	199,298
Profit for the financial year		3,888,923	2,028,869

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

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

UK PARKING CONTROL LIMITED

GROUP BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021 as restated	
		£	£	£	£
Fixed assets					
Intangible assets	12		84,791		-
Tangible assets	13		2,168,635		1,783,474
Investments	14		21,243		-
			<u>2,274,669</u>		<u>1,783,474</u>
Current assets					
Stocks	15		19,223		19,223
Debtors	16		8,912,692		4,590,846
Cash at bank and in hand			3,523,184		2,229,931
			<u>12,455,099</u>		<u>6,840,000</u>
Creditors: amounts falling due within one year	17		<u>(6,965,012)</u>		<u>(4,344,994)</u>
Net current assets			<u>5,490,087</u>		<u>2,495,006</u>
Total assets less current liabilities			<u>7,764,756</u>		<u>4,278,480</u>
Creditors: amounts falling due after more than one year	18		(1,105,439)		(1,287,338)
Provisions for liabilities					
Deferred tax liability	21		<u>(380,659)</u>		<u>(225,407)</u>
Net assets			<u><u>6,278,658</u></u>		<u><u>2,765,735</u></u>
Capital and reserves					
Called up share capital	23		2		2
Profit and loss reserves			<u>6,278,656</u>		<u>2,765,733</u>
Total equity			<u><u>6,278,658</u></u>		<u><u>2,765,735</u></u>

The financial statements were approved and signed by the director and authorised for issue on 1/3/23

Rupert Williams
Director

Company registration number 05104383 (England and Wales)

UK PARKING CONTROL LIMITED

COMPANY BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		84,791		-
Tangible assets	13		2,168,635		1,783,474
Investments	14		21,244		1
			<u>2,274,670</u>		<u>1,783,475</u>
Current assets					
Stocks	15	19,223		19,223	
Debtors	16	8,912,214		4,590,710	
Cash at bank and in hand		3,263,943		2,076,235	
			<u>12,195,380</u>		<u>6,686,168</u>
Creditors: amounts falling due within one year	17	(6,722,507)		(4,206,193)	
Net current assets			<u>5,472,873</u>		<u>2,479,975</u>
Total assets less current liabilities			<u>7,747,543</u>		<u>4,263,450</u>
Creditors: amounts falling due after more than one year	18	(1,105,439)		(1,287,338)	
Provisions for liabilities					
Deferred tax liability	21	(380,659)		(225,407)	
Net assets			<u><u>6,261,445</u></u>		<u><u>2,750,705</u></u>
Capital and reserves					
Called up share capital	23		2		2
Profit and loss reserves			<u>6,261,443</u>		<u>2,750,703</u>
Total equity			<u><u>6,261,445</u></u>		<u><u>2,750,705</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,886,740 (2021 - £2,027,225 profit).

The financial statements were approved and signed by the director and authorised for issue on 1/9/23

Rupert Williams
Director

Company registration number 05104383 (England and Wales)

UK PARKING CONTROL LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 August 2021:				
Balance at 1 September 2020		2	1,134,864	1,134,866
Year ended 31 August 2021:				
Profit and total comprehensive income for the year		-	2,028,869	2,028,869
Dividends	11	-	(398,000)	(398,000)
Balance at 31 August 2021		2	2,765,733	2,765,735
Year ended 31 August 2022:				
Profit and total comprehensive income for the year		-	3,888,923	3,888,923
Dividends	11	-	(376,000)	(376,000)
Balance at 31 August 2022		2	6,278,656	6,278,658

UK PARKING CONTROL LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 August 2021:				
Balance at 1 September 2020		2	1,121,478	1,121,480
Year ended 31 August 2021:				
Profit and total comprehensive income for the year		-	2,027,225	2,027,225
Dividends	11	-	(398,000)	(398,000)
Balance at 31 August 2021		2	2,750,703	2,750,705
Year ended 31 August 2022:				
Profit and total comprehensive income for the year		-	3,886,740	3,886,740
Dividends	11	-	(376,000)	(376,000)
Balance at 31 August 2022		2	6,261,443	6,261,445

UK PARKING CONTROL LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	26		3,063,987		1,906,105
Interest paid			(53,497)		(24,302)
Income taxes paid			-		(15,830)
Net cash inflow from operating activities			<u>3,010,490</u>		<u>1,865,973</u>
Investing activities					
Purchase of intangible fixed assets		(84,791)		-	
Purchase of tangible fixed assets		(993,041)		(747,488)	
Purchase of subsidiaries		(21,243)		-	
Repayment of loans		(1,583)		43	
Interest received		5		5	
Net cash used in investing activities			<u>(1,100,653)</u>		<u>(747,440)</u>
Financing activities					
Proceeds from new bank loans		-		959,808	
Repayment of bank loans		(87,278)		-	
Payment of finance leases obligations		(153,306)		-	
Dividends paid to equity shareholders		(376,000)		(398,000)	
Net cash (used in)/generated from financing activities			<u>(616,584)</u>		<u>561,808</u>
Net increase in cash and cash equivalents			<u>1,293,253</u>		<u>1,680,341</u>
Cash and cash equivalents at beginning of year			<u>2,229,931</u>		<u>549,590</u>
Cash and cash equivalents at end of year			<u><u>3,523,184</u></u>		<u><u>2,229,931</u></u>

UK PARKING CONTROL LIMITED

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27		2,958,442		1,823,926
Interest paid			(53,497)		(24,302)
Income taxes paid			-		(15,429)
Net cash inflow from operating activities			<u>2,904,945</u>		<u>1,784,195</u>
Investing activities					
Purchase of intangible fixed assets		(84,791)		-	
Purchase of tangible fixed assets		(993,041)		(747,488)	
Proceeds from disposal of subsidiaries		(21,243)		-	
Repayment of loans		(1,583)		43	
Interest received		5		5	
Net cash used in investing activities			<u>(1,100,653)</u>		<u>(747,440)</u>
Financing activities					
Proceeds from new bank loans		-		959,808	
Repayment of bank loans		(87,278)		-	
Payment of finance leases obligations		(153,306)		-	
Dividends paid to equity shareholders		(376,000)		(398,000)	
Net cash (used in)/generated from financing activities			<u>(616,584)</u>		<u>561,808</u>
Net increase in cash and cash equivalents			<u>1,187,708</u>		<u>1,598,563</u>
Cash and cash equivalents at beginning of year			<u>2,076,235</u>		<u>477,672</u>
Cash and cash equivalents at end of year			<u><u>3,263,943</u></u>		<u><u>2,076,235</u></u>

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company information

UK Parking Control Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Union House, 111 New Union Street, Coventry, CV1 2NT.

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

1.1 Accounting convention

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

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

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

1.2 Business combinations

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

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

1.3 Basis of consolidation

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

All financial statements are made up to 31 August 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

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

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

The directors have adopted the going concern basis of accounting in preparing the financial statements; the directors are satisfied the company has sufficient reserves and access to the financial support necessary to meet working capital requirements and enable the company to remain in operational existence for the foreseeable future.

1.5 Turnover

Revenue from the parking management operations is recognised when parking notices and site parking fees have been issued or services provided. The revenue is recognised when it can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Research and development expenditure

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

1.7 Intangible fixed assets other than goodwill

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

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

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

Development costs	No amortisation in the year
-------------------	-----------------------------

1.8 Tangible fixed assets

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

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

Leasehold land and buildings	10 year straight line
Plant and equipment	20% straight line
Fixtures and fittings	20% straight line
Computers	33% straight line

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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

1.9 Fixed asset investments

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

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

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.10 Impairment of fixed assets

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

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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

1.11 Stocks

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

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

1.12 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.

1.13 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Derecognition of financial liabilities

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

1.14 Taxation

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

Current tax

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

Deferred tax

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

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

1.15 Employee benefits

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

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

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

1.16 Retirement benefits

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

1.17 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.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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 leased asset are consumed.

1.18 Government grants

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

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

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Trade debtors

Parking sites under management using ANPR have initial terms with customers for a period of 3 years. For the purposes of considering the recoverability of fees charged to customers, it has been estimated that sites will continue to be managed for at least a period of 5 years (2 years beyond the initial contractual period). This estimation has been used for any consideration of recoverability of charged site fee income against commissions payable.

Depreciation of Tangible Fixed Assets

The director continues to depreciate plant and machinery and fixtures, fittings and equipment at 20% on cost and office equipment at 33% on cost. The director considers these methods reasonably reflect the economic consumption of the assets over their useful lives. These assets are reviewed annually for any impairment and there has been no change to the basis of the estimate.

Value added tax

Value added tax returns continue to be calculated on a partially exempt basis. During the year 47% was estimated to be a reasonable basis for disallowed input tax.

Accrued income

Expected income is being accrued based on historical performance and data available at the year end. There is the assumption that this performance will continue into future periods.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

3 Turnover and other revenue

	2022	2021 as restated
	£	£
Turnover analysed by class of business		
Parking services	24,123,535	12,169,948
	<u>24,123,535</u>	<u>12,169,948</u>
	2022	2021 as restated
	£	£
Turnover analysed by geographical market		
United Kingdom	24,123,535	12,169,948
	<u>24,123,535</u>	<u>12,169,948</u>
	2022	2021 as restated
	£	£
Other revenue		
Interest income	5	5
Grants received	4,065	780,626
	<u>4,065</u>	<u>780,626</u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(4,065)	(780,626)
Depreciation of owned tangible fixed assets	607,880	446,291
Operating lease charges	566,850	512,403
	<u>1,169,665</u>	<u>1,177,868</u>

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	26,450	3,600
Audit of the financial statements of the company's subsidiaries	3,000	2,400
	<u>29,450</u>	<u>6,000</u>

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Operations	142	141	141	140
Management	9	10	9	10
Administration	82	59	82	59
Total	233	210	232	209

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	6,766,228	5,142,702	6,765,413	5,141,666
Social security costs	657,703	458,478	657,703	457,693
Pension costs	109,058	95,232	109,058	95,232
	7,532,989	5,696,412	7,532,174	5,694,591

7 Director's remuneration

	2022 £	2021 £
Remuneration for qualifying services	353,416	322,080

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

	2022 £	2021 £
Remuneration for qualifying services	353,416	322,080

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	5	5

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Interest receivable and similar income (Continued)

	2022 £	2021 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	5	5

9 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank loans	53,423	24,171
Other finance costs:		
Other interest	74	131
Total finance costs	53,497	24,302

10 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	277,067	(257,927)
Deferred tax		
Origination and reversal of timing differences	155,252	58,629
Total tax charge/(credit)	432,319	(199,298)

The actual charge/(credit) 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:

	2022 £	2021 £
Profit before taxation	4,321,242	1,829,571
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	821,036	347,619
Tax effect of expenses that are not deductible in determining taxable profit	1,016	1,555
Permanent capital allowances in excess of depreciation	(252,187)	(216,230)
Depreciation on assets not qualifying for tax allowances	115,497	84,795
Research and development tax credit	(408,295)	(475,666)
Deferred tax adjustments in respect of prior years	155,252	58,629
Taxation charge/(credit)	432,319	(199,298)

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

11 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Final paid	376,000	398,000

12 Intangible fixed assets

Group	Development costs £
Cost	
At 1 September 2021	-
Additions in the year	84,791
At 31 August 2022	84,791
Amortisation and impairment	
At 1 September 2021 and 31 August 2022	-
Carrying amount	
At 31 August 2022	84,791
At 31 August 2021	-
Company	Development costs £
Cost	
At 1 September 2021	-
Additions in the year	84,791
At 31 August 2022	84,791
Amortisation and impairment	
At 1 September 2021 and 31 August 2022	-
Carrying amount	
At 31 August 2022	84,791
At 31 August 2021	-

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 September 2021	565,284	2,080,559	197,513	136,681	2,980,037
Additions in the year	-	903,653	17,941	71,447	993,041
At 31 August 2022	565,284	2,984,212	215,454	208,128	3,973,078
Depreciation and impairment					
At 1 September 2021	169,585	820,117	112,831	94,030	1,196,563
Depreciation charged in the year	56,529	444,555	39,749	67,047	607,880
At 31 August 2022	226,114	1,264,672	152,580	161,077	1,804,443
Carrying amount					
At 31 August 2022	339,170	1,719,540	62,874	47,051	2,168,635
At 31 August 2021	395,699	1,260,442	84,682	42,651	1,783,474
Company					
	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 September 2021	565,284	2,080,559	197,513	136,681	2,980,037
Additions in the year	-	903,653	17,941	71,447	993,041
At 31 August 2022	565,284	2,984,212	215,454	208,128	3,973,078
Depreciation and impairment					
At 1 September 2021	169,585	820,117	112,831	94,030	1,196,563
Depreciation charged in the year	56,529	444,555	39,749	67,047	607,880
At 31 August 2022	226,114	1,264,672	152,580	161,077	1,804,443
Carrying amount					
At 31 August 2022	339,170	1,719,540	62,874	47,051	2,168,635
At 31 August 2021	395,699	1,260,442	84,682	42,651	1,783,474

Tangible fixed assets with a net book value of £212,247 (2020: £Nil) are secured under hire purchase agreements.

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries		21,243	-	21,244	1

Movements in fixed asset investments Group

Cost or valuation

At 1 September 2021

Additions in the year

At 31 August 2022

Carrying amount

At 31 August 2022

At 31 August 2021

Shares in
subsidiaries
£

-

21,243

21,243

21,243

-

Movements in fixed asset investments Company

Cost or valuation

At 1 September 2021

Additions in the year

At 31 August 2022

Carrying amount

At 31 August 2022

At 31 August 2021

Shares in
subsidiaries
£

1

21,243

21,244

21,244

1

15 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Finished goods and goods for resale	19,223	19,223	19,223	19,223

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Debtors

	Group 2022	2021	Company 2022	2021
Amounts falling due within one year:	£	£	£	£
Trade debtors	4,146,561	2,561,188	4,146,561	2,561,188
Corporation tax recoverable	-	273,742	-	273,742
Amounts owed by group undertakings	152,421	-	152,421	-
Other debtors	224,044	196,220	223,566	196,084
Prepayments and accrued income	4,389,666	1,559,696	4,389,666	1,559,696
	<u>8,912,692</u>	<u>4,590,846</u>	<u>8,912,214</u>	<u>4,590,710</u>

17 Creditors: amounts falling due within one year

	Notes	Group 2022	2021	Company 2022	2021
		£	£	£	£
Bank loan instalments	19	367,091	303,333	367,091	303,333
Obligations under finance leases	20	30,863	153,306	30,863	153,306
Trade creditors		649,514	726,764	645,894	725,544
Amounts owed to group undertakings		-	-	-	22,115
Corporation tax payable		3,711	386	2,813	-
Other taxation and social security		303,867	191,245	266,226	127,943
Deferred income		1,749,294	1,158,168	1,749,294	1,158,168
Other creditors		306,292	146,616	108,446	53,108
Accruals and deferred income		3,554,380	1,665,176	3,551,880	1,662,676
		<u>6,965,012</u>	<u>4,344,994</u>	<u>6,722,507</u>	<u>4,206,193</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2022	2021	Company 2022	2021
		£	£	£	£
Bank loan instalments	19	1,105,439	1,256,475	1,105,439	1,256,475
Obligations under finance leases	20	-	30,863	-	30,863
		<u>1,105,439</u>	<u>1,287,338</u>	<u>1,105,439</u>	<u>1,287,338</u>

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	1,472,530	1,559,808	1,472,530	1,559,808
Payable within one year	367,091	303,333	367,091	303,333
Payable after one year	1,105,439	1,256,475	1,105,439	1,256,475

	Group 2022 £	2021 £	Company 2022 £	2021 £
Future minimum lease payments due under finance leases:				
Within one year	30,863	153,306	30,863	153,306
In two to five years	-	30,863	-	30,863
	<u>30,863</u>	<u>184,169</u>	<u>30,863</u>	<u>184,169</u>

	Liabilities 2022	Liabilities 2021
Group	£	£
Accelerated capital allowances	380,659	225,407
	Liabilities 2022	Liabilities 2021
Company	£	£
Accelerated capital allowances	380,659	225,407

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Deferred taxation (Continued)

	Group 2022 £	Company 2022 £
Movements in the year:		
Liability at 1 September 2021	225,407	225,407
Charge to profit or loss	155,252	155,252
Liability at 31 August 2022	<u>380,659</u>	<u>380,659</u>

22 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>109,058</u>	<u>95,232</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	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary 'A' shares of 0.001p each	100,000	100,000	1	1
Ordinary 'B' shares of 0.001p each	100,000	100,000	1	1
	<u>200,000</u>	<u>200,000</u>	<u>2</u>	<u>2</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 2022 £	2021 £	Company 2022 £	2021 £
Within one year	522,881	326,738	522,881	163,369
Between two and five years	1,757,180	3,235,512	1,757,180	1,617,756
In over five years	73,780	737,796	73,780	368,898
	<u>2,353,841</u>	<u>4,300,046</u>	<u>2,353,841</u>	<u>2,150,023</u>

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

25 Share options

In February 2022 the company introduced an Employee Management Incentive Scheme "EMI" in which certain employees had the option to acquire shares in the company at an agreed exercise price. The terms of the options were that, whilst an employee, they could exercise the options upon an exit event (vesting date). An exit event is an asset sale, share sale or listing of the company. The options expire 10 years from the date of the grant.

The options total 37,500 Ordinary C shares and 24,925 Ordinary D shares at an exercise price of £6.544351 each.

It is not possible to determine when such an exit could take place and accordingly it is not possible to measure the cost of the options at the vesting date.

26 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	3,888,923	2,028,869
Adjustments for:		
Taxation charged/(credited)	432,319	(199,298)
Finance costs	53,497	24,302
Investment income	(5)	(5)
Depreciation and impairment of tangible fixed assets	607,880	446,291
Movements in working capital:		
Increase in debtors	(4,594,005)	(1,964,605)
Increase in creditors	2,084,252	965,981
Increase in deferred income	591,126	604,570
Cash generated from operations	3,063,987	1,906,105

27 Cash generated from operations - company

	2022 £	2021 £
Profit for the year after tax	3,886,740	2,027,225
Adjustments for:		
Taxation charged/(credited)	431,807	(199,684)
Finance costs	53,497	24,302
Investment income	(5)	(5)
Depreciation and impairment of tangible fixed assets	607,880	446,291
Movements in working capital:		
Increase in debtors	(4,593,663)	(1,979,565)
Increase in creditors	1,981,060	900,792
Increase in deferred income	591,126	604,570
Cash generated from operations	2,958,442	1,823,926

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

28 Analysis of changes in net funds - group

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash at bank and in hand	2,229,931	1,293,253	3,523,184
Borrowings excluding overdrafts	(1,559,808)	87,278	(1,472,530)
Obligations under finance leases	(184,169)	153,306	(30,863)
	<u>485,954</u>	<u>1,533,837</u>	<u>2,019,791</u>

29 Analysis of changes in net funds - company

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash at bank and in hand	2,076,235	1,187,708	3,263,943
Borrowings excluding overdrafts	(1,559,808)	87,278	(1,472,530)
Obligations under finance leases	(184,169)	153,306	(30,863)
	<u>332,258</u>	<u>1,428,292</u>	<u>1,760,550</u>

30 Prior period adjustment

Reconciliation of changes in equity - group

	1 September 2020 £	31 August 2021 £
Adjustment to prior periods	(207,279)	-
Equity as previously reported	<u>1,342,145</u>	<u>2,765,735</u>
Equity as adjusted	<u>1,134,866</u>	<u>2,765,735</u>
Analysis of the effect upon equity		
Profit and loss reserves	<u>(207,279)</u>	<u>-</u>

UK PARKING CONTROL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

30 Prior period adjustment (Continued)

Reconciliation of changes in equity - company

	1 September 2020 £	31 August 2021 £
Adjustment to prior periods	(207,279)	-
Equity as previously reported	1,328,759	2,750,705
Equity as adjusted	1,121,480	2,750,705
Analysis of the effect upon equity		
Profit and loss reserves	(207,279)	-

Reconciliation of changes in profit for the previous financial period

	2021 £
Adjustments to prior year	
Sales adjustment	(370,084)
Direct costs adjustment	364,469
Postage adjustment	5,615
Total adjustments	-
Profit as previously reported	2,027,225
Profit as adjusted	2,027,225