

Company Registration No. 05571660 (England and Wales)

CREATIVE CAR PARK LTD
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

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CREATIVE CAR PARK LTD

COMPANY INFORMATION

Directors	S J Cummings R J S McGinn K E Woodcock S A McCloskey
Company number	05571660
Registered office	Athene House Suite Q 86 The Broadway London NW7 3TD England
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom

CREATIVE CAR PARK LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business

The statement of comprehensive income on page 4 shows the company's turnover of £25.92m (2022: £20.14m) and a profit before taxation of £7.26m (2022: £4.17m), for the year ended 31 March 2023. The material increases in revenue of £5.78m was due to the ongoing growth in sites under management.

The statement of financial position on page 5 shows net assets of £21.26m (2022: £14.41m) for the company at the year end.

The increase in EBITDA profit in the year to £8.98m (2022: £5.64m) noted below was as a result of the increase in revenue and strong cost management.

Principal risks and uncertainties

The principal risks considered by the directors are noted below:

Changes in legislation:

The company has built good relationships with regulatory bodies and ensures that high standards are maintained in its compliance requirements.

Competition:

Car park management services is a competitive market and the company ensures it maintains strong relationships with its customers and ensures there are resources to continue to grow.

Debt covenant:

The debt covenant reporting and operating requirements, are kept under continuous review by the directors.

Key performance indicators

In addition to the key performance indicators of revenues and operating profits and losses noted above, the directors also review EBITDA (earnings before interest, tax, depreciation and amortisation) which is as follows:

	2023 £'000	2022 £000
Operating profit	7,260	4,189
Depreciation and amortisation	1,716	1,448
EBITDA	8,976	5,637

Future developments

The directors expect the business to continue to grow in the forthcoming year as a result of strong organic growth, principally driven by an increase in sites under management. It is expected that the government will introduce a revised Private Parking Code of Practice in 2024. The directors are confident that the business will continue to perform strongly following the introduction of this statutory Code of Practice, despite there being some uncertainty regarding the extent of the changes that will be included in the final version of the Code.

On behalf of the board

Sam McCloskey

.....
S A McCloskey

Director

Date: 04/12/23
.....

CREATIVE CAR PARK LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

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

Results and dividends

The results for the year are set out on page 4.

No ordinary dividends were paid in the year. The directors do not recommend payment of a final dividend.

Directors

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

S Abraham	(Resigned 31 January 2023)
M Ali	(Resigned 31 January 2023)
S J Cummings	
R J S McGinn	(Appointed 31 January 2023)
K E Woodcock	(Appointed 31 January 2023)
S A McCloskey	(Appointed 22 August 2023)

Qualifying third party indemnity provisions

Qualifying third party indemnity provision for the benefit of all directors of the company has been put in place by another group company.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and exposure to risk.

Going concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Group and Company can continue in operational existence for the foreseeable future.

The directors have prepared a full trading and cashflow forecast demonstrating the ongoing profitability and positive cashflow generation of the business. The directors have performed sensitivities on potential outcomes relating to the Private Parking Code of Practice, and in all such scenarios the business continues to generate positive cashflows. The directors therefore have a reasonable expectation that the company is in a position to meet its liabilities as they fall due over the next 12 months and meet expected financial covenants.

On behalf of the board

Sam McCloskey

.....
S A McCloskey
Director

Date: 04/12/23
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ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF CREATIVE CAR PARK LTD ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

In order to assist you to fulfil your duties under the Companies Act 2006 ("the Act"), we prepared for your approval the financial statements of Creative Car Park Ltd which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes in accordance with the financial reporting framework set out therein from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Creative Car Park Ltd, as a body, in accordance with the terms of our engagement letter dated 7 June 2023. Our work has been undertaken solely to prepare for your approval the financial statements of Creative Car Park Ltd and state those matters that we have agreed to state to them in accordance with ICAEW Technical Release 07/16 AAF. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Board of Directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that Creative Car Park Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Creative Car Park Ltd under the Act. You consider that Creative Car Park Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Creative Car Park Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RSM UK Tax and Accounting Limited

RSM UK Tax and Accounting Limited
Chartered Accountants
25 Farringdon Street
London
United Kingdom
EC4A 4AB

01/12/23
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CREATIVE CAR PARK LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	25,918,803	20,144,333
Cost of sales		(7,805,580)	(6,586,433)
Gross profit		18,113,223	13,557,900
Administrative expenses		(10,853,015)	(9,385,348)
Other operating income		-	16,411
Operating profit	4	7,260,208	4,188,963
Interest payable and similar expenses	7	(2,567)	(16,676)
Profit before taxation		7,257,641	4,172,287
Tax on profit	8	(406,813)	(359,351)
Profit for the financial year		6,850,828	3,812,936

CREATIVE CAR PARK LTD**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	9	807,975		-	
Tangible assets	10	4,146,829		4,036,188	
		<u>4,954,804</u>		<u>4,036,188</u>	
Current assets					
Debtors	11	17,460,985	10,319,597		
Cash at bank and in hand		<u>3,219,058</u>	<u>3,035,751</u>		
		20,680,043	13,355,348		
Creditors: amounts falling due within one year	12	<u>(3,768,337)</u>	<u>(2,455,095)</u>		
Net current assets		<u>16,911,706</u>		<u>10,900,253</u>	
Total assets less current liabilities		<u>21,866,510</u>		<u>14,936,441</u>	
Provisions for liabilities	14	<u>(602,739)</u>		<u>(523,498)</u>	
Net assets		<u><u>21,263,771</u></u>		<u><u>14,412,943</u></u>	
Capital and reserves					
Called up share capital	17	1,000		1,000	
Profit and loss reserves		<u>21,262,771</u>		<u>14,411,943</u>	
Total equity		<u><u>21,263,771</u></u>		<u><u>14,412,943</u></u>	

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

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

The financial statements were approved by the board of directors and authorised for issue on 04/12/23 and are signed on its behalf by:

Sam McCloskey

S A McCloskey
Director

CREATIVE CAR PARK LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2021	1,000	10,599,007	10,600,007
Year ended 31 March 2022: Profit and total comprehensive income for the year	-	3,812,936	3,812,936
Balance at 31 March 2022	1,000	14,411,943	14,412,943
Year ended 31 March 2023: Profit and total comprehensive income for the year	-	6,850,828	6,850,828
Balance at 31 March 2023	1,000	21,262,771	21,263,771

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Creative Car Park Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Athene House Suite Q, 86 The Broadway, London, England, NW7 3TD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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, including the provisions of the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008.

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

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

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

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The results of the company are consolidated in the financial statements of Project Neptune Topco Limited. The consolidated financial statements are available from its registered office Molteno House, 302 Regents Park Road, London, England, N3 2JX.

Going concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Group and Company can continue in operational existence for the foreseeable future.

The directors have prepared a full trading and cashflow forecast demonstrating the ongoing profitability and positive cashflow generation of the business. The directors have performed sensitivities on potential outcomes relating to the Private Parking Code of Practice, and in all such scenarios the business continues to generate positive cashflows. The directors therefore have a reasonable expectation that the company is in a position to meet its liabilities as they fall due over the next 12 months and meet expected financial covenants.

Additionally, as part of a refinancing process, in September 2023 the Project Neptune Topco Limited group successfully obtained a new five-year bank loan of £47m.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Turnover

Turnover is recognised at the fair value of the consideration receivable for services rendered and charges levied and is shown net of VAT.

Estimated consideration receivable represents the expected receipts after estimating early settlement discounts and uncollected notices. Expected receipts use historic collection rates to estimate cash inflows from the date the parking notice is issued. Accrued income is recorded in the financial statements for outstanding parking notices at the reporting date at the expected collection rate.

Income from managed sites is recognised on gross basis as the company acts in the role of principal, managing all aspects of income generation for these sites.

Amounts received from debt collectors are recognised net of debt collector fees.

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:

Software	5 years straight line
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Tangible fixed assets

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

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

Leasehold improvements	5 years straight line
Fixtures, fittings & equipment	5 years straight line
Computer equipment	5 years straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. 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.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors and amounts owed by group undertakings, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, 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.

Impairment of financial assets

Financial assets 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 company 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.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade creditors, accruals and amounts due to group undertakings, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate 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 where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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 statement of financial position 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants have been recognised in Other operating income and relate to income received under the Coronavirus Job Retention Scheme.

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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Judgements and key sources of estimation uncertainty

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

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

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.

Accrued income on Parking Charge Notices

Accrued income is calculated by estimating future inflows on parking notices issued with reference to historic collection rates on previously issued notices.

Management have applied the following judgements when calculating the accrued income balance:

- PCN look back period: Management have assumed that there will be collections on PCNs up to 20 months old.
- PCN average collection per PCN: Management have applied the average level of collections observed on PCNs 1 – 2 years old.

Recoverability of group balances

The company has amounts owed by fellow group undertakings. The directors review the amounts owed on an annual basis and assess the recoverability of these balances. The directors exercise their judgement in considering whether they consider the balances to be fully recoverable as at the balance sheet date, and base their judgement on historical experiences and other relevant factors.

3 Turnover

All turnover is attributable to the principal activity of the company and arises solely in the UK.

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(16,411)
Depreciation of owned tangible fixed assets	1,627,074	1,293,650
Depreciation of tangible fixed assets held under finance leases	51,835	154,613
Amortisation of intangible assets	37,181	-
Operating lease charges	364,897	373,132

No government grants (2022: £16,411) were received in the year in relation to the government's Job Retention Scheme.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Employees

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

	2023 Number	2022 Number
Management	6	6
Administration	119	111
Total	125	117

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	5,098,816	4,661,059
Social security costs	634,648	488,164
Pension costs	80,682	69,533
	5,814,146	5,218,756

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	429,461	321,023
Company pension contributions to defined contribution schemes	2,531	2,642
	431,992	323,665

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 2).

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

	2023 £	2022 £
Remuneration for qualifying services	205,000	164,631
Company pension contributions to defined contribution schemes	-	1,321

In addition to the above, during the year no amounts (2022: £1,398) were paid to third parties for the director's services.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on finance leases and hire purchase contracts	2,567	16,676

8 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	327,572	-
Adjustments in respect of prior periods	-	(146,370)
Total current tax	327,572	(146,370)
Deferred tax		
Origination and reversal of timing differences	79,241	266,990
Changes in tax rates	-	61,562
Adjustment in respect of prior periods	-	177,169
Total deferred tax	79,241	505,721
Total tax charge	406,813	359,351

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2023	2022
	£	£
Profit before taxation	7,257,641	4,172,287
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	1,378,952	792,735
Tax effect of expenses that are not deductible in determining taxable profit	45,366	33,793
Adjustments in respect of prior years	-	(146,370)
Group relief	(915,036)	(497,222)
Deferred tax adjustments in respect of prior years	-	177,169
Fixed asset differences	(121,487)	(126,394)
Remeasurement of deferred tax for changes in tax rates	19,018	125,640
Taxation charge for the year	406,813	359,351

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Intangible fixed assets

	Software £
Cost	
Additions	845,156
At 31 March 2023	845,156
Amortisation and impairment	
Amortisation charged for the year	37,181
At 31 March 2023	37,181
Carrying amount	
At 31 March 2023	807,975
At 31 March 2022	-

10 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At 1 April 2022	268,981	8,074,917	509,190	8,853,088
Additions	3,859	1,574,111	211,580	1,789,550
At 31 March 2023	272,840	9,649,028	720,770	10,642,638
Depreciation and impairment				
At 1 April 2022	110,958	4,454,623	251,319	4,816,900
Depreciation charged in the year	61,096	1,525,675	92,138	1,678,909
At 31 March 2023	172,054	5,980,298	343,457	6,495,809
Carrying amount				
At 31 March 2023	100,786	3,668,730	377,313	4,146,829
At 31 March 2022	158,023	3,620,294	257,871	4,036,188

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2023 £	2022 £
Fixtures, fittings & equipment	-	51,835

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	29,665	24,993
Corporation tax recoverable	-	492,495
Amounts owed by group undertakings	14,523,251	7,783,570
Other debtors	90,549	132,014
Prepayments and accrued income	2,817,520	1,886,525
	<u>17,460,985</u>	<u>10,319,597</u>

12 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	13	-	53,847
Trade creditors		1,085,333	953,289
Amounts due to group undertakings		372,249	352,159
Corporation tax		326,598	-
Accruals and deferred income		1,984,157	1,095,800
		<u>3,768,337</u>	<u>2,455,095</u>

13 Finance lease obligations

	2023 £	2022 £
Future minimum lease payments due under finance leases:		
Less than one year	-	55,984
Less: future finance charges	-	(2,137)
	<u>-</u>	<u>53,847</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Obligations under finance leases are secured against assets to which the leases relate.

14 Provisions for liabilities

	Notes	2023 £	2022 £
Deferred tax liabilities	15	<u>602,739</u>	<u>523,498</u>

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Accelerated capital allowances	648,221	525,096
Short term timing differences	(45,482)	(1,598)
	<u>602,739</u>	<u>523,498</u>
		2023 £
Movements in the year:		
Liability at 1 April 2022		523,498
Charge to profit or loss		79,241
		<u>602,739</u>
Liability at 31 March 2023		<u>602,739</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

16 Retirement benefit schemes

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

Contributions totalling £16,000 (2022: £16,000) were payable to the fund at the year end and are included in accruals and deferred income.

17 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

18 Reserves

Profit and loss reserves

The profit and loss reserve represents cumulative profit and loss net of distribution to owners.

CREATIVE CAR PARK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Financial commitments, guarantees and contingent liabilities

A cross guarantee dated 26 March 2019 exists between Project Neptune Topco Limited, Project Neptune Midco 1 Limited, Project Neptune Midco 2 Limited, Project Neptune Bidco Limited, Creative Car Park Holdings Ltd, Creative Car Park Ltd and Civil Enforcement Ltd in favour of Inflexion Private Equity Partners LLP.

Cross guarantees dated 26 March 2019 and 9 December 2021 containing fixed and floating charges and a negative pledge exist between Project Neptune Topco Limited, Project Neptune Midco 1 Limited, Project Neptune Midco 2 Limited, Project Neptune Bidco Limited, Creative Car Park Holdings Ltd, Creative Car Park Ltd and Civil Enforcement Ltd in favour of Wilmington Trust (London) Limited.

In accordance with Section 479C of the Companies Act 2006, Project Neptune Topco Limited, the company's ultimate holding company, has provided a guarantee over the liabilities of the company.

20 Operating lease commitments

Lessee

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

	2023 £	2022 £
Within one year	215,088	270,804
Between one and five years	1,073,088	1,374,708
In over five years	164,548	486,342
	<u>1,452,724</u>	<u>2,131,854</u>

21 Related party transactions

The company recharged £100,000 (2022: £100,000) during the year for staffing costs to a company under common ownership. This company was then acquired by Creative Car Park Holdings Limited on 27 March 2023.

22 Events after the reporting date

The Project Neptune Topco Limited group's bank loans of £52.3m at the year-end were refinanced in September 2023. The group has obtained a new five-year loan of £47m.

23 Ultimate controlling party

The immediate parent company is Creative Car Park Holdings Ltd, a company incorporated in England and Wales. Project Neptune Topco Limited is the parent of the smallest and largest group for which consolidated accounts are prepared. Its registered office address is Molteno House, 302 Regents Park Road, London, England, N3 2JX.

The ultimate parent entity is Inflexion Buyout V Investments LP, an LP incorporated in Guernsey.