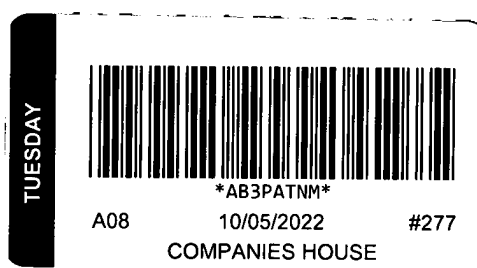


**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
FOR
S&K CAR PARK MANAGEMENT LTD**



CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 30 September 2020

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S&K CAR PARK MANAGEMENT LTD

COMPANY INFORMATION
for the year ended 30 September 2020

DIRECTORS:

H Matsui
R C England

REGISTERED OFFICE:

Saffron Court
14B St. Cross Street
London
EC1N 8XA

REGISTERED NUMBER:

07401550 (England and Wales)

AUDITORS:

Ernst & Young LLP
1 More London Place
London SE1 2AF

S&K CAR PARK MANAGEMENT LTD

REPORT OF THE DIRECTORS for the year ended 30 September 2020

The directors present their report with the audited financial statements of the company for the year ended 30 September 2020.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the Company is the management and operation of car parks.

During the first half of the year, the car parking business remained steady, and the underlying business remained strong. After March 2020, the Company experienced a significant reduction in trading as a direct impact of the COVID-19 pandemic. The Company's results for the year show a gross loss compared to a gross profit in the prior reporting period, as result of a significant decrease in car traffic and fall in customer demand for the car parking spaces, impacting sales; as well as an onerous contract provision being recognised in the year, as a cost of sale (see note 15). The financial results are shown in the income statement on page 7.

Overall the business results for the year show a total like for like sales decline of (53.3%) (2019: growth of 35.8%).

The Company continues to maintain tight control over operating expenses. However, there has been an increase in the Company's operating expenses primarily due to the increase of provisions in the current year (see note 15).

The balance sheet on page 9 of the financial statements shows the Company's net liabilities of £16.9 million (2019: net liabilities of £0.8 million) at year end.

DIRECTORS

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

J P Scott (resigned 18 October 2021)

H Matsui

R C England (appointed 17 December 2021)

STRATEGIC REPORT

The company has taken the exemption under section 414B of the Company Act 2006 for the requirement to prepare a strategic report for the financial period.

BASIS OF PREPARATION

In December 2021, the directors of the Company confirmed that as part of a wider restructure and streamlining of the National Car Parks group, the Company intends to discontinue its business and make an intra-group transfer of its assets and liabilities, including all underlying contracts with its customers and suppliers / landlords to National Car Parks Limited ('NCP'). The business will continue to trade whilst preparations continue to transfer the trade, assets and employees, and to novate the related contracts to NCP. This process is expected to be concluded by the end of 2022. NCP, the Company's immediate parent undertaking has confirmed that it will waive repayment of any inter-company balances due to it throughout this period. Park24 Co. Ltd., the Company's ultimate parent undertaking has provided an unconditional support letter.

In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the Company plans to continue trading for a period of time and realise its assets in an orderly fashion, the directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year.

S&K CAR PARK MANAGEMENT LTD

REPORT OF THE DIRECTORS - continued for the year ended 30 September 2020

DISCLOSURE OF INFORMATION TO THE 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, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors, Ernst & Young LLP, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

POST BALANCE SHEET EVENTS

The Company is continuing to be significantly impacted by COVID-19 due to lockdowns and the UK government's restrictions in place, post year end. The directors have considered the impact and note that this principally relates to a continued fall in demand, post year end, for car parking spaces operated by the Company resulting in a continued fall in revenue and profitability. The unaudited business results for 2021 show a total like for like sales decline of (8.2%), and total sales being £3,833,000 (2020: £4,176,432). During 2021 and early 2022, the Company lost a number of car park management contracts, including Eagles Meadow, The Central Village, Greenwich University and Westfield, as it became more difficult to retain management contracts, with clients seeking to manage their car parks in-house.

In December 2020 and March 2021, the Company received financial support in the form of an interest-bearing loan totalling £2.2 million from MEIF II CP Holding 3 Limited. The funds were utilised to settle company obligations in relation to rent payments.

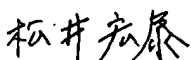
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SMALL COMPANIES EXEMPTION

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The directors have made use of the Small Companies exemption not to prepare a Strategic Report, as provided by section 414B of the Companies Act 2006.

THIS REPORT WAS APPROVED BY THE BOARD:



H Matsui - Director

06 May 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
S&K CAR PARK MANAGEMENT LTD**

Opinion

We have audited the financial statements of S&K Car Park Management Ltd for the year ended 30 September 2020, which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2020 and of its loss 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – financial statements prepared on basis other than going concern

We draw attention to Note 2 of the financial statements, which explains that the directors intend that the business, underlying contracts, assets and liabilities, and employees of the Company will be transferred to National Car Parks Limited, and therefore they do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 2. Our opinion is not modified in respect of this matter.

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 directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
S&K CAR PARK MANAGEMENT LTD - continued**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Report of the Directors and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

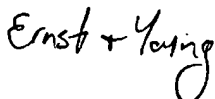
Auditors' responsibilities for the audit of the financial statements

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

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

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.



Peter McIver (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

9 May 2022

S&K CAR PARK MANAGEMENT LTD**INCOME STATEMENT
for the year ended 30 September 2020**

		For the year ended 30.09.20 £	For the 15-month period ended 30.09.19 £
Continuing operations	Note		
TURNOVER	3	4,176,432	11,172,341
Cost of sales		<u>(17,867,112)</u>	<u>(8,798,691)</u>
GROSS (LOSS)/PROFIT		(13,690,680)	2,373,650
Administrative expenses		(1,144,946)	(2,435,757)
Impairment of fixed assets	7, 8	(1,801,685)	-
Impairment of amounts owed by group undertakings		-	(38,611)
Other operating income	9	<u>403,066</u>	<u>47,487</u>
OPERATING LOSS	5	(16,234,245)	(53,231)
Interest payable and similar expenses	6	<u>(19,503)</u>	<u>(51,298)</u>
LOSS BEFORE TAXATION		(16,253,748)	(104,529)
Tax credit/(change)	14	<u>136,983</u>	<u>(37,269)</u>
LOSS FOR THE YEAR/PERIOD		<u><u>(16,116,765)</u></u>	<u><u>(141,798)</u></u>

S&K CAR PARK MANAGEMENT LTD

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2020

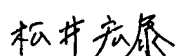
	For the year ended 30.09.20 £	For the 15-month period ended 30.09.19 £
LOSS FOR THE YEAR/PERIOD	(16,116,765)	(141,798)
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD	<u>(16,116,765)</u>	<u>(141,798)</u>

BALANCE SHEET
30 September 2020

	Note	30.09.20		30.09.19	
		£	£	£	£
FIXED ASSETS					
Intangible assets	7		-		568,347
Tangible assets	8		-		<u>1,325,338</u>
			-		1,893,685
CURRENT ASSETS					
Debtors	10	3,184,683		2,769,256	
Cash at bank and in hand		<u>1,052,263</u>		<u>703,671</u>	
		4,236,946		3,472,927	
CREDITORS					
Amounts falling due within one year	11	<u>(8,399,835)</u>		<u>(4,921,725)</u>	
NET CURRENT LIABILITIES			<u>(4,162,889)</u>		<u>(1,448,798)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(4,162,889)		444,887
CREDITORS					
Amounts falling due after more than one year	12		(502,960)		(524,231)
PROVISIONS FOR LIABILITIES					
Deferred tax	13		-		(136,983)
Dilapidations	15		(350,799)		(580,849)
Onerous contracts	15		<u>(11,897,293)</u>		<u>-</u>
NET LIABILITIES			<u>(16,913,941)</u>		<u>(797,176)</u>
CAPITAL AND RESERVES					
Called up share capital	17		2		2
Retained earnings			<u>(16,913,943)</u>		<u>(797,178)</u>
SHAREHOLDERS' DEFICIT			<u>(16,913,941)</u>		<u>(797,176)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 06 May 2022 and were signed on its behalf by:



H Matsui - Director

S&K CAR PARK MANAGEMENT LTD

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 30 June 2018	2	(655,380)	(655,378)
Changes in equity			
Total comprehensive loss	<u>-</u>	<u>(141,798)</u>	<u>(141,798)</u>
Balance at 30 September 2019	<u>2</u>	<u>(797,178)</u>	<u>(797,176)</u>
Changes in equity			
Total comprehensive loss	<u>-</u>	<u>(16,116,765)</u>	<u>(16,116,765)</u>
Balance at 30 September 2020	<u><u>2</u></u>	<u><u>(16,913,943)</u></u>	<u><u>(16,913,941)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2020

1. STATUTORY INFORMATION

S&K Car Park Management Ltd is a private company, limited by shares, incorporated and domiciled in England and Wales. The company's registered number is 07401550 and the registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company's financial statements are presented in Sterling and all values are rounded to nearest pound (£).

Under the provisions of FRS 102, the Company meets the definition of a qualifying entity and has adopted the section 1.12 disclosure exemptions not to:

- provide a reconciliation of the number of shares outstanding at the beginning and at the end of the period;
- prepare a statement of cash flows;
- provide certain financial instrument disclosures, on the basis that equivalent disclosures are included in the consolidated financial statements of its ultimate parent company; and
- disclose key management personnel compensation.

The Company has adopted the exemption in Section 33.1A of FRS 102 not to disclose related party transactions between members of a group provided any subsidiary party to the transactions is wholly owned by such a member.

The principal accounting policies adopted by the Company in preparing the financial statements are set out below.

Basis of preparation

In December 2021, the directors of the Company confirmed that as part of a wider restructure and streamlining of the National Car Parks group, the Company intends to discontinue its business and make an intra-group transfer of its assets and liabilities, including all underlying contracts with its customers and suppliers / landlords to National Car Parks Limited ('NCP'). The business will continue to trade whilst preparations continue to transfer the trade, assets and employees, and to novate the related contracts to NCP. This process is expected to be concluded by the end of 2022. NCP, the Company's immediate parent undertaking has confirmed that it will waive repayment of any inter-company balances due to it throughout this period. Park24 Co. Ltd., the Company's ultimate parent undertaking has provided an unconditional support letter.

In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the Company plans to continue trading for a period of time and realise its assets in an orderly fashion, the directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

2. ACCOUNTING POLICIES – continued

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Provisions (note 15)

Provisions are made for health and safety dilapidations, terminal dilapidations and onerous lease contracts. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

(ii) Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

(iii) Useful life of intangible assets

The company establishes a reliable estimate of the useful life of intangible assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and is treated as a change in accounting estimate.

(iv) Useful life of tangible assets

Management estimates the useful lives of tangible fixed assets to be within 3 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore further depreciation charges could be revised.

No other significant judgements or estimates require additional disclosure in the financial report.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any impairment losses.

Computer software is being amortised over its estimated useful life of 3-5 years.

Tangible fixed assets

Tangible fixed assets are valued at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

2. ACCOUNTING POLICIES - continued

Depreciation

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 31% on cost, 20% on cost and 10% on cost
Furniture and fittings	- 31% on cost, 20% on cost and 10% on cost
Motor vehicles	- 31% on cost, 20% on cost
Computer hardware	- 31% on cost, 20% on cost and 10% on cost
Leasehold improvements	- 10% on cost

Assets are initially measured at cost and reviewed annually for impairment.

Turnover

Turnover comprises revenues wholly earned by the company in respect of the provision of car park management services and car parking fees, during the period, exclusive of value added tax.

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue in respect of long term parking contracts is recognised based on the period to which the parking applies.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

2. ACCOUNTING POLICIES - continued**Foreign currencies**

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Income Statement.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to Income Statement in the period to which they relate.

Operating leases

Rentals under operating leases are charged to the Income Statement on a straight line basis, where applicable, over the lease term or to the extent that they become payable where there are additional contingent payables under the terms of the lease in line with the underlying basis of calculation. Lease incentives are credited to the lease expense on a straight line basis over the life of the lease.

Financial instruments

Basic Financial Instruments as covered by Section 11 of FRS102 are measured at amortised cost. The company does not have any Other Financial Instruments as covered by Section 12 of FRS102.

Loan notes

Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Share Capital

Shares issued by the Company are recorded as the proceeds received from the issue of shares, net of direct issue costs.

3. TURNOVER

	For the year ended 30.09.20	For the 15-month period ended 30.09.19
	£	£
Management services	305,919	3,567,488
Car park operations	3,870,513	7,604,853
	<hr/> 4,176,432 <hr/>	<hr/> 11,172,341 <hr/>

All turnover during the year derived from activities in the United Kingdom and from two types of services, provision of car park management services and car park operations.

S&K CAR PARK MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

4. EMPLOYEES

The average number of employees during the period was 150 (2019 - 143). The directors received £Nil (2019: £Nil) in respect of qualifying services provided to the Company during the year/period.

5. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	For the year ended 30.09.20 £	For the 15-month period ended 30.09.19 £
Depreciation - owned assets (Note 8)	235,321	309,985
Intangible assets amortisation (Note 7)	54,003	67,316
Impairment of fixed assets (Note 8)	1,287,341	-
Impairment of intangible assets (Note 7)	514,344	34,274
Foreign exchange gains	-	(47,487)
Loss on disposal of tangible assets (Note 8)	-	4,408
Operating lease payments	2,354,368	2,877,694
Auditor's remuneration	53,700	49,375

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	For the year ended 30.09.20 £	For the 15-month period ended 30.09.19 £
Notional interest on Dilapidation Provision	19,503	22,767
Interest on amounts owed to group undertakings	-	28,531
	<u>19,503</u>	<u>51,298</u>

Notional interest represents the unwinding of the discount in relation to provisions for dilapidations.

7. INTANGIBLE FIXED ASSETS

	Leasehold Stamp Duty £	Computer Software £	Totals £
COST			
At 30 September 2019	586,798	182,526	769,324
Additions	-	-	-
At 30 September 2020	<u>586,798</u>	<u>182,526</u>	<u>769,324</u>
ACCUMULATED AMORTISATION AND IMPAIRMENT			
At 30 September 2019	53,855	147,122	200,977
Charge for the year	18,599	35,404	54,003
Impairment	514,344	-	514,344
At 30 September 2020	<u>586,798</u>	<u>182,526</u>	<u>769,324</u>
NET BOOK VALUE			
At 30 September 2020	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2019	<u>532,943</u>	<u>35,404</u>	<u>568,347</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant & Machinery £	Furniture & fittings £
COST			
At 30 September 2019	1,327,429	615,289	164,170
Additions	-	-	197,324
Disposals	-	-	-
At 30 September 2020	<u>1,327,429</u>	<u>615,289</u>	<u>361,494</u>
ACCUMULATED DEPRECIATION			
At 30 September 2019	489,263	276,249	57,925
Charge for the year	80,069	133,218	6,293
Impairment	758,097	205,822	297,276
At 30 September 2020	<u>1,327,429</u>	<u>615,289</u>	<u>361,494</u>
NET BOOK VALUE			
At 30 September 2020	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2019	<u>838,166</u>	<u>339,040</u>	<u>106,245</u>
	Motor vehicles £	Computer hardware £	Totals £
COST			
At 30 September 2019	7,194	123,559	2,237,641
Additions	-	-	197,324
Disposals	-	-	-
At 30 September 2020	<u>7,194</u>	<u>123,559</u>	<u>2,434,965</u>
ACCUMULATED DEPRECIATION			
At 30 September 2019	6,543	82,323	912,303
Charge for the year	651	15,090	235,321
Impairment	-	26,146	1,287,341
At 30 September 2020	<u>7,194</u>	<u>123,559</u>	<u>2,434,965</u>
NET BOOK VALUE			
At 30 September 2020	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2019	<u>651</u>	<u>41,236</u>	<u>1,325,338</u>

S&K CAR PARK MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

9. OTHER OPERATING INCOME

	For the year ended 30.09.20	For the 15-month period ended 30.09.19
	£	£
Government grant income	403,066	-
Foreign exchange gains	-	47,487
	<u>403,066</u>	<u>47,487</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.09.20	30.09.19
	£	£
Trade debtors	1,426,545	1,924,215
Other debtors	<u>1,758,138</u>	<u>845,041</u>
	<u>3,184,683</u>	<u>2,769,256</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.09.20	30.09.19
	£	£
Lease incentives (current)	362,982	12,155
Trade creditors	2,463,617	169,968
Amounts owed to group undertakings	4,628,433	2,514,779
Taxation and social security	18,046	577,367
Other creditors & accruals	<u>926,757</u>	<u>1,647,456</u>
	<u>8,399,835</u>	<u>4,921,725</u>

Amounts owed to group undertakings are non interest bearing, repayable on demand and represent an unsecured inter-company loan.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.09.20	30.09.19
	£	£
Lease incentives (non-current)	<u>502,960</u>	<u>524,231</u>
	<u>502,960</u>	<u>524,231</u>

13. DEFERED TAX

The provision for deferred taxation is made up of:

	30.09.20	30.09.19
	£	£
Accelerated capital allowance	-	228,970
Tax losses carried forward	-	(91,987)
	<u>-</u>	<u>136,983</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

14. TAX**(a) Tax on loss**

The total tax credit for the year is £136,983 (2019: charge £37,269).

(b) Tax charge included in other comprehensive income

The tax charge included in other comprehensive loss for the year is £nil (2019: £nil).

(c) Factors affecting tax charge for the year

The tax assessed for the year is higher (2019: higher) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Loss before taxation	(16,253,748)	(104,529)
Loss multiplied by the standard rate of UK corporation tax of 19% (2019: 19%)	(3,088,212)	(19,861)
Effects of:		
Expenses not deductible for tax purposes	133,419	57,130
Income not taxable	(1,291)	-
Adjustment from previous periods	(44,213)	-
Deferred tax assets not recognised	2,863,314	-
Total tax (credit) /charge for the year	(136,983)	37,269

(d) Factors that may affect future tax charges

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. A reduction to 17% with effect from 1 April 2020 was introduced in the Finance Act 2016. However, in accordance with the March 2020 budget, the rate did not reduce to 17% with effect from 1 April 2020, and instead remained at 19%. In accordance with the Finance Act 2021, the rate will increase to 25% from 1 April 2023.

15. PROVISIONS FOR LIABILITIES

	Health & safety dilapidations	Terminal dilapidations	Onerous contracts	Total
	£	£	£	£
At 30 September 2019	532,300	48,549	-	580,849
(Released)/charged to profit and loss account	(67,969)	-	11,897,293	11,829,324
Net Change in Dilapidations Asset	-	(2,445)	-	(2,445)
Utilised during the year	(179,139)	-	-	(179,139)
Unwind of discount	15,969	3,534	-	19,503
At 30 September 2020	301,161	49,638	11,897,293	12,248,092

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

15. PROVISIONS FOR LIABILITIES – continued**Dilapidations**

The provision for health and safety dilapidations is expected to be utilised over the next one to five years to address dilapidations identified at the balance sheet date. The provision is discounted to present value using an appropriate discount rate reflecting the company's business risk and credit risk.

The Company provides for terminal dilapidations based upon the estimated remedial work and costs of restoring the leasehold properties back to their original condition at the end of the lease. The amount is then discounted using an appropriate discount rate reflecting the company's business and credit risk.

Onerous Contracts

The provision for onerous contracts represents forecast losses on loss-making property operating leases up to the lease termination date and has been subsequently discounted to reflect the timing of future cash flows.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.09.20	30.09.19
	£	£
Within one year	2,307,000	2,441,382
Between one and five years	9,228,000	9,575,391
In more than five years	<u>66,522,518</u>	<u>71,690,421</u>
	<u><u>78,057,518</u></u>	<u><u>83,707,194</u></u>

There are provisions within the leases that provide for rent reviews and increases. The commitments shown above represent the current rents payable presently enforceable. The actual rent payable under the terms of the lease may vary according to movements reflected on indexes on which the rent reviews are based.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.09.20	30.09.19
		£1	£	£
2	Ordinary Shares		<u>2</u>	<u>2</u>

The Ordinary shares have full rights to vote in any circumstances, and to receive dividends and capital distributions, whether on winding up or otherwise. The shares are not redeemable.

18. RESERVES

The balance classified as called up share capital includes the nominal value of issued company's share capital.

The Company's retained earnings includes the accumulated profits and losses of the Company less any dividends declared.

19. RELATED PARTY DISCLOSURES

The Company has adopted the exemption under Section 33.1A of FRS 102 not to disclose related party transactions between members of a group provided any subsidiary party to the transactions is wholly owned by such a member.

20. KEY MANAGEMENT PERSONNEL

All directors who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. During the period, there were no transactions with key management personnel outside normal market conditions (2019: £nil).

21. ULTIMATE CONTROLLING PARTY

The Company's immediate parent undertaking is National Car Parks Limited. The ultimate parent undertaking and controlling party is Park24Co. Ltd a company incorporated in Japan which owns 51% of S&K Car Park Management Limited as at 30 September 2020. Park24Co. Ltd is the smallest and largest entity preparing group financial statements which includes the results and net assets of the Company. Copies of the consolidated financial statements of Park24 Co. Ltd are available from 2-20-4, Nishigotanda, Shinagawa-ku, Tokyo 141-8924 Japan.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2020

22. POST BALANCE SHEET EVENTS

The Company is continuing to be significantly impacted by COVID-19 due to lockdowns and the UK government's restrictions in place, post year end. The directors have considered the impact and note that this principally relates to a continued fall in demand, post year end, for car parking spaces operated by the Company resulting in a continued fall in revenue and profitability. The unaudited business results for 2021 show a total like for like sales decline of (8.2%), and total sales being £3,833,000 (2020: £4,176,432). During 2021 and early 2022, the Company lost a number of car park management contracts, including Eagles Meadow, The Central Village, Greenwich University and Westfield, as it became more difficult to retain management contracts, with clients seeking to manage their car parks in-house.

In December 2020 and March 2021, the Company received financial support in the form of an interest-bearing loan totalling £2.2 million from MEIF II CP Holding 3 Limited. The funds were utilised to settle company obligations in relation to rent payments.

In December 2021, the directors of the Company confirmed that as part of a wider restructure and streamlining of the National Car Parks group, the Company intends to discontinue its business and make an intra-group transfer of its assets and liabilities, including all underlying contracts with its customers and suppliers / landlords to National Car Parks Limited ('NCP'). The business will continue to trade whilst preparations continue to transfer the trade, assets and employees and to novate the related contracts to NCP. This process is expected to be concluded by the end of 2022. NCP, the Company's immediate parent undertaking has confirmed that it will waive repayment of any inter-company balances due to it throughout this period. Park24 Co. Ltd., the Company's ultimate parent undertaking has provided an unconditional support letter.