

PARKINGPAL LIMITED

Annual Report

For the year ended 31 December 2013

Registered in England and Wales

Company registration number: 07621532

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PARKINGPAL LIMITED

Contents

Directors and advisors	3
Directors' report	4 and 5
Independent auditors' report.....	6 and 7
Profit and loss account	8
Balance sheet.....	9
Notes to the financial statements.....	10 to 14

PARKINGPAL LIMITED

Directors and advisors

For the year ended 31 December 2013

Directors

R G I Adams
D G W Murphy

Secretary

R G I Adams

Registered Office

The Power House
Chantry Place
Headstone Lane
Harrow
Middlesex
HA3 6NY

Bankers

Bank of Scotland
33 Old Street
London
BX2 1LB

Independent auditors

PricewaterhouseCoopers LLP
Chartered accountants and statutory auditors
1 Embankment Place
London
WC2N 6RH

PARKINGPAL LIMITED

Directors' report

For the year ended 31 December 2013

The directors present their annual report for the year ended 31 December 2013.

Principal activities

The principal activities of the Company during the year were distribution, installation and maintenance of parking solutions.

Results and dividends

The company's loss on ordinary activities before tax was £368,769 (2012: £729,234). The directors do not recommend a payment of dividend.

The business review, objectives and aims

The company has been developing a barrierless car parking management solution based on automatic number plate recognition. Payment can be made through kiosks or by the internet. Demand for the system is growing from councils, supermarkets, rail operators and retail developments. The number of installations taking place in 2014 is a significant increase on previous years and further growth is expected.

Financial risk management objectives and policies

The company's finance department manages the risk inherent in control of credit and availability of liquid funds in accordance with the corporate policies of its parent company APT Controls Limited.

The management review these policies regularly as summarised below:

Credit risk

The company seeks to minimise counterparty risk by trading only with established and financially strong customers. The risk is assessed on an on-going basis and relevant actions taken to mitigate any potential losses.

Liquidity risk

The company aims to maintain a balance between continuity and flexibility of funding through the use of operating cash flow and borrowings. The company's policy is to ensure that there is sufficient medium and long term funding available to meet liquidity requirements.

Going Concern

The directors consider the company will continue in operational existence for the foreseeable future due to the financial support of the parent company APT Controls Limited for at least the next 12 months from the date of signing these financial statements. On this basis, it is therefore appropriate to adopt the going concern basis in preparing the financial statements.

Post Balance Sheet Event

The APT Controls Group was acquired by Swarco AG on 7 May 2014.

Directors

The directors who held office during the year and up to the date of this report:

R G I Adams
D G W Murphy

PARKINGPAL LIMITED

Directors' report

For the year ended 31 December 2013

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and parent 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 group and the company and of the profit or loss of APT-Skidata Limited for the year. In preparing these financial statements, the directors are required to:

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

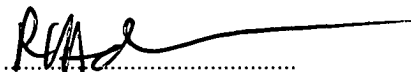
Statement of disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Annual General Meeting.

By order of the Board



R G I Adams
Director

24 June 2014

PARKINGPAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARKINGPAL LIMITED

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.
 - This opinion is to be read in the context of what we say in the remainder of this report.
-

What we have audited

The financial statements, which are prepared by Parkingpal Limited, comprise:

- the Balance Sheet as at 31 December 2013;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
 - 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.
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PARKINGPAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARKINGPAL LIMITED (continued)

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Suzanne Woolfson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

24 June 2014

PARKINGPAL LIMITED

Profit and loss account

For the year ended ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	509,689	135,949
Cost of Sales		(484,051)	(87,660)
Gross profit		25,638	48,289
Administrative expenses		(393,165)	(224,704)
Impairment of fixed asset investment		-	(552,819)
Operating loss		(367,527)	(729,234)
Interest payable and similar charges		(1,242)	-
Loss on ordinary activities before tax		(368,769)	(729,234)
Tax credit on loss on ordinary activities	4	99,745	50,533
Loss for the financial year		(269,024)	(678,701)

The operating loss for the year arises from the company's continuing operations.

There is no difference between the loss on ordinary activities before taxation and loss for the year stated above and their historical cost equivalents.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

PARKINGPAL LIMITED

Balance Sheet

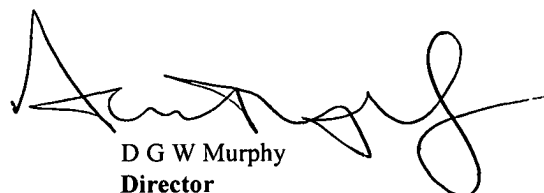
As at 31 December 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets	5	196,036	89,344
Tangible assets	6	64,325	46,670
		260,361	136,014
Current assets			
Stock		24,257	-
Debtors	7	152,677	40,524
Cash at bank and in hand		81,324	152,287
		258,258	192,811
Creditors – amounts falling due within one year	8	(1,411,617)	(973,945)
Net current liabilities		(1,153,359)	(781,134)
Total assets less current liabilities		(892,998)	(645,120)
Creditors – amounts falling after one year		(21,146)	-
Net liabilities		(914,144)	(645,120)
Capital and reserves			
Called up share capital	9	322	322
Share premium account	10	61,853	61,853
Profit and loss reserve	10	(976,319)	(707,295)
Total shareholders' deficit		(914,144)	(645,120)

The financial statements on page 8 to 14 were approved by the board of directors on 24 June 2014 and were signed on its behalf by:



R G I Adams
Director



D G W Murphy
Director

PARKINGPAL LIMITED

Notes to the financial statements for the year ended 31 December 2013

1. Accounting Policies

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The company is a subsidiary of APT Control Limited and is included in the consolidated financial statements of APT Controls Limited. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement and consolidated financial statements under the terms of FRS 1.

Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the group's ordinary activities, stated net of trade discounts and value added tax.

Share capital

Ordinary shares are classified as equity.

Pension

The company operates a Personal Pension Scheme. Contributions to the scheme are charged in the profit and loss account as they become payable.

Taxation including deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Research and development

Expenditure on research and development is charged to the profit and loss account in the year in which it is incurred with the exception of all directly attributable expenditure on the development of new products and services where the outcome of those projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over the useful economic life commencing in the year sales of the product are first made.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:-

Plant and machinery	3 to 10 years
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Investments

In the company's balance sheet, investments in subsidiary undertakings are stated at cost less any provision for permanent impairment.

PARKINGPAL LIMITED

Notes to the financial statements for the year ended 31 December 2013 (continued)

2. Turnover

All turnover relates to the sale of parking equipment and related services in the UK.

3. Operating loss

	2013 £	2012 £
Operating loss is stated after charging:		
Wages and salaries	227,019	161,986
Social security costs	25,101	17,785
Other pension costs	9,383	6,691
Staff costs	261,503	186,462
Depreciation	21,717	9,889
Services provided by the company's auditors		
Fees payable for the audit	2,000	2,000
Fees payable for other services	1,500	1,500
Debt forgiven to a fellow subsidiary	(27,913)	62,362

The company employed total of 8 (2012: 5) staff members, comprising of Admin 2 (2012: 2), Sales 2 (2012: 2), Information Technology 2 (2012: 1) and Installation 2 (2012: 0).

4. Tax on loss on ordinary activities

	2013 £	2012 £
Current tax:		
UK corporation tax on losses for the period	(106,172)	(53,093)
Adjustment in respect of previous years		2,560
Total current tax	(106,172)	(50,533)
Deferred tax:		
Originating and reversal of timing differences	-	-
Change in tax rate and other	-	-
Tax on loss on ordinary activities	(106,172)	(50,533)

The tax assessed for the year is higher 27.0 % (2012 lower: 6.9%) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2013 of 23.25% (2012: 24.5%). The differences are due to:

Loss on ordinary activities before tax	(368,769)	(729,234)
Profit on ordinary activities before multiplied by standard rate in the UK 23.25% (2012: 24.5%)	(85,739)	(178,662)
Effects of:		
Expenses not deductible for tax purposes	10,607	2,041
Accelerated capital allowances and other timing differences	(6,012)	(2,268)
Impairment of fixed asset investment and related debt		150,719
Adjustment to tax charge in respect of previous period	(18,601)	2,560
Utilisation of tax losses		20,990
Research and development relief		(45,913)
Current tax charge for the year	(99,745)	(50,533)

The standard rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013, and will change to 21% from 1 April 2014 and 20% from 1 April 2015. UK deferred tax is therefore recognised at the reduced rate of 20%

PARKINGPAL LIMITED

Notes to the financial statements for the year ended 31 December 2013 (continued)

5. Intangible assets

	2013 £	2012 £
Cost		
At 1 January	89,344	-
Additions	106,692	89,344
At 31 December	196,036	89,344
Amortisation		
At 1 January	-	-
Charge for the year	-	-
At 31 December	-	-
Net book amount at 31 December	196,036	89,344

Development expenditure relates to the costs directly incurred by the company in the development of major new products.

6. Tangible fixed assets

	2013 Plant and machinery £	2012 Plant and machinery £
Costs		
At 1 January	56,599	4,922
Additions	39,372	51,677
At 31 December	95,971	56,599
Accumulated depreciation		
At 1 January	9,929	40
Charge for the year	21,717	9,889
At 31 December	31,646	9,929
Net book amount at 31 December	64,325	46,670

7. Debtors

	2013 £	2012 £
Trade debtors	91,337	-
Amount owed by parent undertaking	1,809	38,086
Prepayments and accrued income	2,248	2,438
Corporation tax	57,283	-
	152,677	40,524

Amounts owed by ultimate parent and fellow subsidiaries are interest free and repayable on demand.

PARKINGPAL LIMITED

Notes to the financial statements for the year ended 31 December 2013 (continued)

8. Creditors – Amounts falling due within one year

	2013 £	2012 £
Trade creditors	77,349	104,990
Amount owed to ultimate parent and fellow subsidiaries	1,254,642	818,041
Taxation and social security	12,606	13,142
Accruals and other creditors	67,020	37,772
	1,411,617	973,945

Amounts owed to ultimate parent and fellow subsidiaries are interest free and repayable on demand.

9. Called up share capital

	31 December 2013		31 December 2012	
	£	Number	£	Number
Allotted and fully paid: ordinary shares of £1 each	322	322	322	322

10. Reserves

	Called up Share capital £	Share premium account £	Profit and loss account £	Total shareholders' funds (deficit) £
Ordinary share issued on incorporation	300	-	-	300
Shares issue	22	61,853	-	61,875
Loss for the period	-	-	(28,594)	(28,594)
At 31 December 2011	322	61,853	(28,594)	33,581
Loss for the year ended 31 December 2012	-	-	(678,701)	(678,701)
At 31 December 2012	322	61,853	(707,295)	(645,120)
Loss for the year ended 31 December 2013	-	-	(269,024)	(269,024)
At 31 December 2013	322	61,853	(976,319)	(914,144)

PARKINGPAL LIMITED

Notes to the financial statements for the year ended 31 December 2013 (continued)

11. Ultimate Parent Company

The parent company is APT Controls Ltd, a company which is registered in England and Wales under company registration number 02754698.

The company has taken advantage of Companies Act 2006 exemption to not disclose related party transactions on the basis it is neither a medium or large company.

12. Post balance sheet event

The company was acquired by Swarco AG on 7 May 2014.