

COMPANY REGISTRATION NUMBER 05134454

PARKINGEYE LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 AUGUST 2012

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PARKINGEYE LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

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PARKINGEYE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 AUGUST 2012

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 August 2012

Principal activities and business review

The principal activity of the company during the year was to monitor parking and where appropriate charge, either as principal or agent those who park for longer than the permitted time

The company has continued its strong growth in both turnover and profit. During the year the number of people employed by the company has grown to 137

The legislative framework enshrined in the Protection of Freedoms Act, which was implemented in England and Wales on 1 October 2012, is welcomed by the company and is expected to drive both existing revenue and future growth

The company is now considered the market leader in the enforcement in private car parks through the United Kingdom and counts a number of household names in its customer base

The company is conscious that parking charges are an emotive issue and strives to deal with the public fairly at all times

Results and dividends

The profit for the year, after taxation, amounted to £3,287,064. The directors have not recommended a dividend

Financial risk management objectives and policies

The company finances its operations through retained profits

Hedge accounting is not used by the company

Where appropriate, the company's funds are held primarily in short term variable rate deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise. All deposits are with a reputable United Kingdom bank

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department

The directors will revisit the appropriateness of this policy should the company's operations change in size or nature

PARKINGEYE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2012

Directors

The directors who served the company during the year were as follows

D W Taylor
A W McKerney
S Smith
J B Whitaker
S Driscoll

S Driscoll was appointed as a director on 12 December 2011

A W McKerney resigned as a director on 12 December 2011

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 these accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the accounts 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 accounts 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
 - the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information
-

PARKINGEYE LIMITED

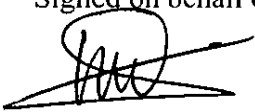
THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2012

Auditor

Moore and Smalley LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Signed on behalf of the directors



S Driscoll
Director

Approved by the directors on 8/4/2013

PARKINGEYE LIMITED

INDEPENDENT AUDITOR'S REPORT TO PARKINGEYE LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 20, together with the accounts of Parkingeye Limited for the year ended 31 August 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Damian Walmsley (Senior Statutory Auditor)
For and on behalf of
Moore and Smalley LLP
Chartered Accountants & Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

15/4/2013

PARKINGEYE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 AUGUST 2012

	Note	2012 £	2011 £
Turnover		13,916,437	10,804,922
Cost of Sales and Other operating income		(1,849,579)	(1,444,948)
Administrative expenses		(7,589,764)	(6,814,015)
Operating profit	2	4,477,094	2,545,959
Interest receivable		51,728	12,936
Interest payable and similar charges	5	(92,253)	–
Profit on ordinary activities before taxation		4,436,569	2,558,895
Tax on profit on ordinary activities	6	(1,149,505)	(784,336)
Profit for the financial year		3,287,064	1,774,559

All of the activities of the company are classed as continuing

PARKINGEYE LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 AUGUST 2012

	2012 £	2011 £
Profit for the financial year attributable to the shareholders	3,287,064	1,774,559
Total recognised gains and losses relating to the year	<u>3,287,064</u>	<u>1,774,559</u>
Prior year adjustment	—	1,000,000
Total gains and losses recognised since the last annual report	<u>3,287,064</u>	<u>2,774,559</u>

PARKINGEYE LIMITED

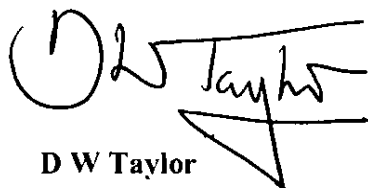
ABBREVIATED BALANCE SHEET

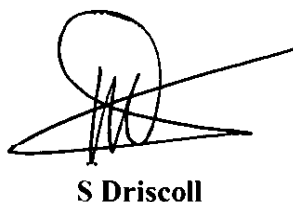
31 AUGUST 2012

	Note	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	7		4,411,276		3,468,419
Current assets					
Debtors	8	1,929,671		1,833,721	
Cash at bank and in hand		6,204,120		2,517,374	
		<u>8,133,791</u>		<u>4,351,095</u>	
Creditors: amounts falling due within one year	10	<u>4,914,829</u>		<u>3,851,340</u>	
Net current assets			<u>3,218,962</u>		<u>499,755</u>
Total assets less current liabilities			<u>7,630,238</u>		<u>3,968,174</u>
Creditors: amounts falling due after more than one year	11		<u>375,000</u>		<u>—</u>
			<u>7,255,238</u>		<u>3,968,174</u>
Capital and reserves					
Called-up equity share capital	16		9,458		385,658
Other reserves	17		190,518		190,518
Profit and loss account	17		7,055,262		3,391,998
Shareholders' funds	18		<u>7,255,238</u>		<u>3,968,174</u>

These abbreviated accounts have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 8/4/2013, and are signed on their behalf by


D W Taylor


S Driscoll

Company Registration Number 05134454

PARKINGEYE LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2012

	Note	2012		2011	
		£	£	£	£
Net cash inflow from operating activities	19		5,769,849		5,381,727
Returns on investments and servicing of finance	19		(40,525)		12,936
Taxation	19		(664,288)		(635,329)
Capital expenditure and financial investment	19		(2,878,290)		(2,357,794)
Equity dividends paid			–		(500,000)
Cash inflow before financing			2,186,746		1,901,540
Financing	19		1,500,000		–
Increase in cash	19		3,686,746		1,901,540

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention

Turnover and profit recognition

Turnover comprises the value of work performed, goods sold and services provided excluding Value Added Tax

Income in respect of charges is recognised on a receipt basis due to uncertainty of the likely payment of the parking charges issued

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant and machinery	-	over 1 - 5 years/50% reducing balance
Camera equipment in stores	-	50% reducing balance
Motor vehicles	-	25% reducing balance
Office computer equipment	-	over 3 years
Furniture and fittings	-	over 3 years

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

1 Accounting policies (continued)

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 Operating profit

Operating profit is stated after charging

	2012 £	2011 £
Depreciation of owned fixed assets	1,906,653	1,781,995
Loss on disposal of fixed assets	28,780	31,829
Operating lease costs - Other	209,718	135,097
Auditor's remuneration	11,000	10,500
	<u>2012</u> £	<u>2011</u> £
Auditor's remuneration - audit of the accounts	11,000	10,500

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

3 Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2012 No	2011 No
Number of administrative staff	7	4
Number of management staff	7	6
Sales and operations	111	87
	<u>125</u>	<u>97</u>

The aggregate payroll costs of the above were

	2012 £	2011 £
Wages and salaries	3,211,294	2,715,850
Social security costs	325,646	258,823
Other pension costs	4,886	—
	<u>3,541,826</u>	<u>2,974,673</u>

4 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012 £	2011 £
Aggregate remuneration	185,139	478,560
Value of company pension contributions to money purchase schemes	1,250	—
	<u>186,389</u>	<u>478,560</u>

Remuneration of highest paid director:

	2012 £	2011 £
Total remuneration (excluding pension contributions)	117,716	370,003
Value of company pension contributions to money purchase schemes	1,250	—
	<u>118,966</u>	<u>370,003</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

4 Directors' remuneration (continued)

The number of directors who accrued benefits under company pension schemes was as follows

	2012 No	2011 No
Money purchase schemes	<u>1</u>	<u>-</u>

5 Interest payable and similar charges

	2012 £	2011 £
Interest payable on bank borrowing	<u>92,253</u>	<u>-</u>

6 Taxation on ordinary activities

(a) Analysis of charge in the year

	2012 £	£	2011 £	£
Current tax:				
In respect of the year				
UK Corporation tax based on the results for the year		1,299,633		958,286
Over/under provision in prior year		-		(678)
Total current tax		<u>1,299,633</u>		<u>957,608</u>
Deferred tax:				
Origination and reversal of timing differences (note 9)				
Capital allowances	(149,028)		(174,952)	
Other	(1,100)		1,680	
Total deferred tax (note 9)		<u>(150,128)</u>		<u>(173,272)</u>
Tax on profit on ordinary activities		<u>1,149,505</u>		<u>784,336</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

6 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 25.16% (2011 - 27.16%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>4,436,569</u>	<u>2,558,895</u>
Profit on ordinary activities by rate of tax	1,116,241	694,996
Expenditure not deductible for tax purposes	11,367	42,991
Depreciation in excess of capital allowances	170,871	221,929
Short-term timing differences	1,154	(1,630)
Over/under provision in prior period	-	(678)
Total current tax (note 6(a))	<u>1,299,633</u>	<u>957,608</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

7 Tangible fixed assets

	Furniture and fittings £	Servers & camera equipment £	Plant & machinery £	Motor vehicles £	Office computer equipment £	Total £
Cost						
At 1 Sep 2011	84,718	6,462,380	8,856	137,948	374,433	7,068,335
Additions	17,805	2,681,940	1,110	–	192,035	2,892,890
Disposals	–	(10,078)	–	(67,608)	–	(77,686)
At 31 Aug 2012	102,523	9,134,242	9,966	70,340	566,468	9,883,539
Depreciation						
At 1 Sep 2011	43,935	3,359,832	899	45,576	149,674	3,599,916
Charge for the year	22,672	1,720,157	1,937	20,915	140,972	1,906,653
On disposals	–	(561)	–	(33,745)	–	(34,306)
At 31 Aug 2012	66,607	5,079,428	2,836	32,746	290,646	5,472,263
Net book value						
At 31 Aug 2012	35,916	4,054,814	7,130	37,594	275,822	4,411,276
At 31 Aug 2011	40,783	3,102,548	7,957	92,372	224,759	3,468,419

8 Debtors

	2012 £	2011 £
Trade debtors	533,815	822,187
Directors current accounts	2,667	–
Prepayments and accrued income	1,093,670	862,143
Deferred taxation (note 9)	299,519	149,391
	1,929,671	1,833,721

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

9 Deferred taxation

The deferred tax included in the Balance sheet is as follows

	2012 £	2011 £
Included in debtors (note 8)	<u>299,519</u>	<u>149,391</u>

The movement in the deferred taxation account during the year was

	2012 £	2011 £
Balance brought forward	149,391	(23,881)
Profit and loss account movement arising during the year	<u>150,128</u>	<u>173,272</u>
Balance carried forward	<u>299,519</u>	<u>149,391</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2012 £	2011 £
Excess of depreciation over taxation allowances	298,419	149,391
Other timing differences	<u>1,100</u>	<u>-</u>
	<u>299,519</u>	<u>149,391</u>

10 Creditors: amounts falling due within one year

	2012 £	2011 £
Bank loans	1,125,000	-
Trade creditors	838,725	701,343
Corporation tax	1,593,631	958,286
PAYE and social security	94,638	71,777
VAT	732,758	714,873
Accruals and deferred income	<u>530,077</u>	<u>1,405,061</u>
	<u>4,914,829</u>	<u>3,851,340</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

10 Creditors: amounts falling due within one year (continued)

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2012 £	2011 £
Bank loans	<u>1,125,000</u>	<u>—</u>

The bank loan is secured by way of a fixed and floating charge over the company and all present and future property and assets

11 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Bank loans and overdrafts	<u>375,000</u>	<u>—</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2012 £	2011 £
Bank loans and overdrafts	<u>375,000</u>	<u>—</u>

The bank loan is secured by way of a fixed and floating charge over the company and all present and future property and assets

12 Pensions

The company operates a defined contribution pension scheme in respect of certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account and amounted to £4,886 (2011: £nil). The amount outstanding at the year end was £4,854 (2011: £nil).

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

13 Commitments under operating leases

At 31 August 2012 the company had annual commitments under non-cancellable operating leases as set out below

	2012		2011	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	3,919	-	-
Within 2 to 5 years	144,075	46,687	-	64,723
After more than 5 years	104,613	-	104,280	-
	<u>248,688</u>	<u>50,606</u>	<u>104,280</u>	<u>64,723</u>

14 Directors' benefits: Advances, credit and guarantees

Included within other debtors is £2,667 (2011 £nil) in respect of directors' loan accounts. The maximum outstanding during the year was £2,667.

15 Related party transactions

The company was under the control of the directors throughout the current period.

During the year Landlegend Limited, a company controlled by Mr Taylor, invoiced the company for amounts totalling £29,467 (2011 £44,978) for consultancy and related expenses.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 8.

16 Share capital

Authorised share capital:

	2012 £	2011 £
617,500 Ordinary 'A' shares of £0.01 each	6,175	6,175
570,000 Ordinary 'B' shares of £0.01 (2011 - £1) each	5,700	570,000
	<u>11,875</u>	<u>576,175</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

16 Share capital (continued)

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
565,750 Ordinary 'A' shares of £0.01 each	565,750	5,658	565,750	5,658
380,000 Ordinary 'B' shares of £0.01 (2011 - £1) each	380,000	3,800	380,000	380,000
	<u>945,750</u>	<u>9,458</u>	<u>945,750</u>	<u>385,658</u>

The A and B ordinary shares each carry one vote per share and both classes of share have equal rights. During the year a resolution was passed to reduce the amount paid up in respect of each Ordinary 'B' share from £1 per share to £0.01 per share.

17 Reserves

	Capital redemption reserve £	Profit and loss account £
At 1 September 2011	190,518	3,391,998
Profit for the year	-	3,287,064
Reduction in amount paid up on Ordinary B shares (note 17)	-	376,200
At 31 August 2012	<u>190,518</u>	<u>7,055,262</u>

18 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	3,287,064	1,774,559
Opening shareholders' funds	3,968,174	1,193,615
Prior year adjustment	-	1,000,000
Closing shareholders' funds	<u>7,255,238</u>	<u>3,968,174</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

19 Notes to the cash flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	2012 £	2011 £
Operating profit	4,477,094	2,545,959
Depreciation	1,906,653	1,781,995
Loss on disposal of fixed assets	28,780	31,829
Decrease/(increase) in debtors	54,178	(366,855)
(Decrease)/increase in creditors	(696,856)	1,388,799
Net cash inflow from operating activities	<u>5,769,849</u>	<u>5,381,727</u>

Returns on investments and servicing of finance

	2012 £	2011 £
Interest received	51,728	12,936
Interest paid	(92,253)	—
Net cash (outflow)/inflow from returns on investments and servicing of finance	<u>(40,525)</u>	<u>12,936</u>

Taxation

	2012 £	2011 £
Taxation	<u>(664,288)</u>	<u>(635,329)</u>

Capital expenditure

	2012 £	2011 £
Payments to acquire tangible fixed assets	(2,892,890)	(2,365,442)
Receipts from sale of fixed assets	14,600	7,648
Net cash outflow from capital expenditure	<u>(2,878,290)</u>	<u>(2,357,794)</u>

PARKINGEYE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2012

19 Notes to the cash flow statement (continued)

Financing

	2012 £	2011 £
Increase in bank loans	1,500,000	—
Net cash inflow from financing	<u>1,500,000</u>	<u>—</u>

Reconciliation of net cash flow to movement in net funds

	2012 £	2011 £
Increase in cash in the period	3,686,746	1,901,540
Net cash (inflow) from bank loans	<u>(1,500,000)</u>	<u>—</u>
	2,186,746	1,901,540
Change in net funds	2,186,746	1,901,540
Net funds at 1 September 2011	<u>2,517,374</u>	<u>615,834</u>
Net funds at 31 August 2012	<u>4,704,120</u>	<u>2,517,374</u>

Analysis of changes in net funds

	At 1 Sep 2011 £	Cash flows £	At 31 Aug 2012 £
Net cash			
Cash in hand and at bank	<u>2,517,374</u>	<u>3,686,746</u>	<u>6,204,120</u>
Debt			
Debt due within 1 year	—	(1,125,000)	(1,125,000)
Debt due after 1 year	—	(375,000)	(375,000)
	—	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Net funds	<u>2,517,374</u>	<u>2,186,746</u>	<u>4,704,120</u>