

Registration number: 01672849

Phoenix Mechanical Services Limited

Unaudited Financial Statements

for the Year Ended 31 October 2019



Phoenix Mechanical Services Limited

(Registration number: 01672849)

Balance Sheet as at 31 October 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	3	164,406	169,407
Investments	4	5,500	5,500
		<u>169,906</u>	<u>174,907</u>
Current assets			
Stocks		57,647	75,702
Debtors	5	496,922	202,515
Cash at bank and in hand		2,908,105	2,860,675
		<u>3,462,674</u>	<u>3,138,892</u>
Creditors: Amounts falling due within one year	6	<u>(219,113)</u>	<u>(208,927)</u>
Net current assets		<u>3,243,561</u>	<u>2,929,965</u>
Total assets less current liabilities		3,413,467	3,104,872
Provisions for liabilities		<u>(12,200)</u>	<u>(12,800)</u>
Net assets		<u>3,401,267</u>	<u>3,092,072</u>
Capital and reserves			
Called up share capital		5,000	5,000
Capital redemption reserve		5,000	5,000
Revaluation reserve		12,708	13,373
Profit and loss account		3,378,559	3,068,699
Total equity		<u>3,401,267</u>	<u>3,092,072</u>

The notes on pages 3 to 7 form an integral part of these financial statements.

Phoenix Mechanical Services Limited

(Registration number: 01672849)

Balance Sheet as at 31 October 2019 (continued)

For the financial year ending 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Directors' Report and the Profit and Loss Account has been taken.

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 24/10/20... and signed on its behalf by:

.....
J Sykes
Director

Phoenix Mechanical Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2019

1 Accounting policies

Statutory information

Phoenix Mechanical Services Limited is a private company, limited by shares, domiciled in England and Wales, company number 01672849. The registered office is at 44 Wilson Street, Sheffield, S3 8DD.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There has been no material departure from this standard.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

Going concern

After due consideration of all relevant factors including the current Covid-19 pandemic, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts. Revenue is recognised on completion of the provision of services.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Phoenix Mechanical Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2019 (continued)

1 Accounting policies (continued)

Deferred tax shall be recognised in respect of all timing differences at the reporting date, except as otherwise required by FRS102. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Unrelieved tax losses and other deferred tax assets shall be 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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land, less their estimated residual values, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	2% on cost
Plant and machinery	10% on cost
Fixtures and fittings	20% on cost
Motor vehicles	25% on reducing balance
Office equipment	20% on cost

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Stocks

Stocks are stated at the lower of cost and estimated selling price.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Phoenix Mechanical Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2019 (continued)

1 Accounting policies (continued)

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the statement of comprehensive income.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 12 (2018 - 12).

Phoenix Mechanical Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2019 (continued)

3 Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 November 2018	135,140	150,023	36,029	110,133	431,325
Additions	-	8,985	3,270	2,100	14,355
Disposals	-	-	-	(19,804)	(19,804)
At 31 October 2019	<u>135,140</u>	<u>159,008</u>	<u>39,299</u>	<u>92,429</u>	<u>425,876</u>
Depreciation					
At 1 November 2018	36,650	102,742	27,777	94,749	261,918
Charge for the year	-	9,656	3,274	3,746	16,676
Eliminated on disposal	-	-	-	(17,124)	(17,124)
At 31 October 2019	<u>36,650</u>	<u>112,398</u>	<u>31,051</u>	<u>81,371</u>	<u>261,470</u>
Carrying amount					
At 31 October 2019	<u>98,490</u>	<u>46,610</u>	<u>8,248</u>	<u>11,058</u>	<u>164,406</u>
At 31 October 2018	<u>98,490</u>	<u>47,281</u>	<u>8,252</u>	<u>15,384</u>	<u>169,407</u>

Revaluation

Land and buildings contain assets valued on an existing use basis in 1995 that have a current book value of £43,275 (2018 - £43,275) and a historic cost of £102,637 (2018 - £102,637). The depreciation on this historic cost is £23,447 (2017 - £22,516).

The company has applied the transitional arrangements of Section 35 of FRS102 and used this previous valuation as deemed cost for these assets. The assets are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to retained earnings.

Phoenix Mechanical Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2019 (continued)

4 Investments

Subsidiary	£
Cost or valuation	
At 1 November 2018 and 31 October 2019	<u>5,500</u>
Carrying amount	
At 31 October 2019	<u>5,500</u>
At 31 October 2018	<u>5,500</u>

5 Debtors

	2019 £	2018 £
Trade debtors	479,851	188,385
Other debtors	<u>17,071</u>	<u>14,130</u>
	<u>496,922</u>	<u>202,515</u>

6 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	44,962	26,555
Amounts owed to group undertakings.	5,350	1,500
Taxation and social security	157,554	121,517
Other creditors	10,498	40,981
Directors' current account	<u>749</u>	<u>18,374</u>
	<u>219,113</u>	<u>208,927</u>

7 Financial commitments, guarantees and contingencies

Operating leases

As at the balance sheet date, the company had total commitments under non-cancellable operating leases over the remaining term of those leases of £604 (2018 - £906).