

Phusion IM Limited

Financial statements

Information for filing with the registrar

31 December 2019

Phusion IM Limited

Statement of financial position as at 31 December 2019

| | Note | 2019 £ | 2018 £ |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 755,986 | 772,056 |
| Investments | 6 | - | 480 |
| | | <u>755,986</u> | <u>772,536</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 7 | 177,958 | 420,157 |
| Bank and cash balances | | 54,933 | 1,129 |
| | | <u>232,891</u> | <u>421,286</u> |
| Creditors: amounts falling due within one year | 8 | (342,080) | (772,386) |
| Net current liabilities | | <u>(109,189)</u> | <u>(351,100)</u> |
| Total assets less current liabilities | | <u>646,797</u> | <u>421,436</u> |
| Creditors: amounts falling due after more than one year | 9 | (167,950) | (316,193) |
| Net assets | | <u><u>478,847</u></u> | <u><u>105,243</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 60 | 60 |
| Capital redemption reserve | | 40 | 40 |
| Profit and loss account | | 478,747 | 105,143 |
| | | <u><u>478,847</u></u> | <u><u>105,243</u></u> |

Phusion IM Limited

Statement of financial position (continued) as at 31 December 2019

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 May 2020.

A J Hayward

Director

Registered number: 02694092

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

Phusion IM Limited

Notes to the financial statements for the year ended 31 December 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 16 Earls Nook, Belasis Business Park, Billingham, Cleveland, TS23 4EF

2. Statement of compliance

The financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

3.2 Going concern

The group meets its day-to-day working capital requirements through its retained cash balance and bank facilities. The current economic conditions continue to create uncertainty over the level of demand for the group's products and services and the availability of bank finance for the foreseeable future. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities. The group therefore continues to adopt the going concern basis in preparing its financial statements.

In light of recent global events which persist at the date of approval of these financial statements, the directors have also taken measures to counter the potential impact of Covid-19 on the company's operations and the resultant financial impact. Contingency plans have been implemented to mitigate the risk to the business. In addition, the UK government have announced a series of funding measures which, the directors anticipate will be available should there be any additional short to medium term funding requirements. Whilst the risks in this regard cannot be completely mitigated and therefore some level of future uncertainty remains, the directors have adopted measures and assessed the financial implications of associated factors outside their control and do not consider the residual uncertainties to be material to the company's ability to continue meeting its liabilities as they fall due in the foreseeable future.

3.3 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Notes to the financial statements for the year ended 31 December 2019

3. Accounting policies (continued)

3.4 Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts.

When the outcome of a transaction can be estimated reliably, turnover from services provided is recognised by reference to the stage of completion at the balance sheet date. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

3.5 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

3.7 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

3.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements for the year ended 31 December 2019

3. Accounting policies (continued)

3.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Depreciation is provided on the following basis:

| | | | |
|-----------------------|---|-----|------------------------------------|
| Freehold property | - | 2% | straight line |
| Fixtures and fittings | - | 33% | straight line and reducing balance |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

3.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

3.10 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

4. Employees

The average monthly number of employees, including directors, during the year was 18 (2018 -17).

Phusion IM Limited

Notes to the financial statements for the year ended 31 December 2019

5. Tangible fixed assets

| | Freehold property £ | Fixtures and fittings £ | Total £ |
|-------------------------------------|---------------------------|-------------------------------|----------------|
| Cost or valuation | | | |
| At 1 January 2019 | 1,119,785 | 873,861 | 1,993,646 |
| Additions | - | 1,612 | 1,612 |
| At 31 December 2019 | 1,119,785 | 875,473 | 1,995,258 |
| Depreciation | | | |
| At 1 January 2019 | 350,171 | 871,419 | 1,221,590 |
| Charge for the year on owned assets | 15,193 | 2,489 | 17,682 |
| At 31 December 2019 | 365,364 | 873,908 | 1,239,272 |
| Net book value | | | |
| At 31 December 2019 | <u>754,421</u> | <u>1,565</u> | <u>755,986</u> |
| At 31 December 2018 | <u>769,614</u> | <u>2,442</u> | <u>772,056</u> |

The freehold property was valued by an independent valuer at 31 December 2016 on an open market value basis. The valuation indicated an impairment of property value, recognised in profit and loss, with carrying value in the financial statements representing impaired value less subsequent accumulated depreciation.

6. Fixed asset investments

| | Investments in subsidiary companies £ |
|---------------------|--|
| At 1 January 2019 | 480 |
| Disposals | (480) |
| At 31 December 2019 | <u>-</u> |

Phusion IM Limited

Notes to the financial statements for the year ended 31 December 2019

7. Debtors

| | 2019 £ | 2018 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 142,850 | 365,499 |
| Other debtors | - | 22,218 |
| Prepayments and accrued income | 35,108 | 32,440 |
| | <u>177,958</u> | <u>420,157</u> |

8. Creditors: Amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|----------------|----------------|
| Bank overdrafts | - | 44,403 |
| Bank loans | 136,450 | 150,679 |
| Trade creditors | 49,019 | 32,071 |
| Amounts owed to group undertakings | - | 418,932 |
| Other taxation and social security | 105,766 | 90,631 |
| Other creditors | 12,613 | 19,661 |
| Accruals and deferred income | 38,232 | 16,009 |
| | <u>342,080</u> | <u>772,386</u> |

Included in current liabilities are bank loans secured by a fixed and floating charge over the undertaking and all present and future assets.

9. Creditors: Amounts falling due after more than one year

| | 2019 £ | 2018 £ |
|------------|----------------|----------------|
| Bank loans | 167,950 | 316,193 |
| | <u>167,950</u> | <u>316,193</u> |

Included in current liabilities are bank loans secured by a fixed and floating charge over the undertaking and all present and future assets.

10. Controlling party

The ultimate controlling party is S Pearson by virtue of his majority shareholding.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.