Registration number: 01606880

P.H. Jones Facilities Management Ltd

Annual Report and Financial Statements

for the Year Ended 31 December 2018

P.H. Jones Facilities Management Ltd

Contents

P.H. Jones Facilities Management Ltd

Strategic Report for the Year Ended 31 December 2018

The Directors present their Strategic Report for P.H. Jones Facilities Management Ltd (the 'Company') for the year ended 31 December 2018.

Principal Activities
The principal activity of the Company was the provision of electrical distribution services.

Review of the business
During 2017 the Company chose not to retender for its only contract and therefore this came to an end on 31 May 2017. This is in line with the Centrica plc Group's (the 'Group') strategic review of how their businesses are structured.

With cessation of all operations the Company is now in the process of reducing all assets and liabilities and the remaining accounting and administration duties for the Company will be carried out by the Group. The Company is now no longer a going concern.

Principal risks and uncertainties
From the perspective of the Company, the principal risks and uncertainties are integrated with those of the Group and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are discussed on pages 41-50 of the Group's Annual Report and Accounts 2018, which does not form part of this report.

Exit from the European Union
The UK referendum vote in June 2016 to leave the European Union has added to the risks and uncertainties faced by the Company. However, it is considered that the direct impact of these uncertainties on the Company is limited in the short-term. Many details of the implementation process continue to remain unclear. Extricating from the European Union treaties is a task of immense complexity but the Company is well-positioned to manage the possible market impacts. There are also potential tax consequences of the withdrawal and these will continue to be reassessed at each reporting date to ensure the tax provisions reflect the most likely outcome following the withdrawal.

Key performance indicators (KPIs)
The Directors of the Group use a number of KPIs to monitor progress against the Group's strategy. The development, performance and position of the Group, which includes the Company, are disclosed on pages 18-19 of the Group's Annual Report and Accounts 2018, which does not form part of this report.

Future developments
The Company has ceased its business operations, which reflects the impact of the Group's 2015 strategic review. It is expected that the Company will be liquidated in the near future.

P.H. Jones Facilities Management Ltd

Strategic Report for the Year Ended 31 December 2018 (continued)

Approved by the Board on ..24 June 2019....... and signed on its behalf by:

S Hood Samantha Hood

....

By order of the Board for and on behalf of Centrica Secretaries Limited
Company Secretary

Company registered in England and Wales, No. 01606880
Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

P.H. Jones Facilities Management Ltd

Directors' Report for the Year Ended 31 December 2018

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

Directors of the Company
The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Steven Buck (resigned 24 January 2018)

Mark Hodges (resigned 28 February 2019)

Rajarshi Roy

Ivan Ronald (appointed 24 January 2018)

The following director was appointed after the year end:

M D Kirwan - Director (appointed 1 April 2019)

Results and dividends
The results of the Company are set out on page 9. The profit for the financial year ended 31 December 2018 is £360,000 (2017: £469,000). No dividends were paid during the year (2017: £nil) and the Directors do not recommend the payment of a final dividend (2017: £nil) in respect of the financial year ended 31 December 2018.

Objectives and policies
The Directors have established objectives and policies for managing financial risks to enable the Company to achieve its long-term shareholder value growth targets within a prudent risk management framework. These objectives and policies are regularly reviewed.

Exposure in terms of price risk, credit risk, liquidity risk and cash flow risk
Exposure to counterparty credit risk and liquidity risk arises in the normal course of the Company's business. Cash forecasts identifying the liquidity requirements of the Company are produced frequently and reviewed regularly. Liquidity risk is managed through funding arrangements with Group undertakings. The Company did not take part in hedging activity other than hedging with respect to foreign currency risk.

Future developments
Future developments are discussed in the Strategic Report on page 1.

Going concern
The Directors have prepared the financial statements on the basis that the Company is not going to continue as a going concern. The Company decided to terminate all operations performed by the Company on 31 May 2017. Where this decision has an effect on the measurement principles of IFRS, this is indicated in the relevant accounting policy detailed in note 2.

Centrica pls, the ultimate parent company, intends to support the Company to ensure it can meet its remaining obligations as they fall due. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the financial statements were authorised for issue.

Events after the reporting period
There were no events after the reporting period.

Directors' and officers' liabilities
Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Disclosure of information to the auditors
Each of the Directors who held office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'). 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 these 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, including FRS 101, 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.

Auditors

In accordance with Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Approved by the Board on 24 June 2019 and signed on its behalf by:

S Hood Samantha Hood

....

By order of the Board for and on behalf of Centrica Secretaries Limited
Company Secretary

Company registered in England and Wales, No. 01606880
Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

P.H. Jones Facilities Management Ltd

Independent auditors' report to the members of P.H. Jones Facilities Management Ltd

Report on the financial statements

Opinion

In our opinion, the financial statements of P.H.Jones Facilities Management Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

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.

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 Financial Reporting Council's (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 other than on a going concern basis
We draw attention to note 2 of the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information
The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report to the members of P.H. Jones Facilities Management Ltd (continued)

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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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

Independent auditors' report to the members of P.H. Jones Facilities Management Ltd (continued)

- 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

We have nothing to report in respect of these matters.

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.

D. Winstone
....
Daryl Winstone (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom

Date: 24 June 2019

P.H. Jones Facilities Management Ltd

Income Statement for the Year Ended 31 December 2018

	Note	2018 £ 000	2017 £ 000
Revenue	3	-	637
Cost of sales		-	(741)
Gross loss		-	(104)
Distribution costs		-	-
Operating (costs)/income		(26)	327
Operating (loss)/profit		(26)	223
Finance income	6	386	366
Profit before income tax		360	589
Income tax expense	9	-	(120)
Profit for the year		360	469

All the activities of the Company are classed as discontinued as all trading operations have ceased.

The notes on pages 13 to 24 form an integral part of these financial statements.

P.H. Jones Facilities Management Ltd

Statement of Comprehensive Income for the Year Ended 31 December 2018

	2018 £ 000	2017 £ 000
Profit for the year	360	469
Total comprehensive income for the year	360	469

The notes on pages 13 to 24 form an integral part of these financial statements.

P.H. Jones Facilities Management Ltd

Statement of Financial Position as at 31 December 2018

	Note	2018 £ 000	2017 £ 000
Non-current assets			
Investments	10	-	-
		-	-
Current assets			
Trade and other receivables	11	56	66
Cash and cash equivalents		-	80
		56	146
Total assets		56	146
Current liabilities			
Trade and other payables	12	(2,514)	(2,964)
		(2,514)	(2,964)
Total assets less current liabilties		(2,458)	(2,818)
Equity			
Share capital	13	5	5
Accumulated losses		(2,463)	(2,823)
Total equity		(2,458)	(2,818)

The financial statements on pages 9 to 24 were approved and authorised for issue by the Board of Directors on 24 June 2019 and signed on its behalf by:

....

Ivan Ronald

Director

Company number 01606880

P.H. Jones Facilities Management Ltd

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £ 000	Accumulated losses £ 000	Total £ 000
At 1 January 2018	5	(2,823)	(2,818)
Profit and total comprehensive income for the year	-	360	360
At 31 December 2018	5	(2,463)	(2,458)

	Share capital £ 000	Accumulated losses £ 000	Total £ 000
At 1 January 2017	5	(3,292)	(3,287)
Profit and total comprehensive income for the year	-	469	469
At 31 December 2017	5	(2,823)	(2,818)

1 General information

P.H. Jones Facilities Management Ltd (the 'Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

The registered office and principal place of business is:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

The nature of the Company's operations and it's principal activities are set out in the strategic Report on page 1.

2 Accounting policies

Basis of preparation
The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

From 1 January 2018, the following standards and amendments are effective in the Company's Financial Statements. Their first time adoption did not have a material impact on the financial statements:

• IFRS 9: 'Financial Instruments'
• IFRS 15: 'Revenue from contracts with customers'

The impact of adoption of these standards and the key changes to the accounting policies are disclosed below.

IFRS 9: 'Financial Instruments'
The Company adopted IFRS 9: 'Financial Instruments' from 1 January 2018. In accordance with the transition provisions in the Standard, comparatives have not been restated.

Classification of financial assets
IFRS 9 requires the use of two criteria to determine the classification of financial assets: the entity's business model for the financial assets and the contractual cash flow characteristics of the financial assets. The Standard goes on to identify three categories of financial assets - amortised cost; fair value through profit or loss (FVTPL); and fair value through other comprehensive income (FVOCI).

Impairment
IFRS 9 mandates the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model, and therefore it is not necessary for a credit event to have occurred before credit losses are recognised. The new impairment model applies to the Company's financial assets and loan commitments. No changes to the impairment provisions were made on transition to IFRS 9 as these are not considered material.

2 Accounting policies (continued)

IFRS 15: 'Revenue with contracts from customers'
The primary impact of application is the revision of accounting policies to reflect the five-step approach to revenue recognition required by IFRS 15. All revenue for this Company has been assessed to be within the scope of IFRS15 and this resulted in no changes to amounts previously recognised in the financial statements.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with Adopted IFRSs;
- the effects of new but not yet effective IFRSs
- prior year reconciliations for property, plant and equipment and intangible assets;
- the prior year reconciliations in the number of shares outstanding at the beginning and at the end of the year for share capital;
- disclosures in respect of related party transactions with wholly-owned subsidiaries in a group;
- disclosures in respect of the compensation of key management personnel; and
- disclosures in respect of capital management.

As the consolidated financial statements of the Centrica plc group (the 'Group'), which are available from its registered office, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures' have not been provided apart from those which are relevant for the financial instruments which are held at fair value;
- disclosures of the net cash-flows attributable to the operating, investing and financing activities of discontinued operations.

The Company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements as it's a wholly-owned subsidiary of Centrica plc. These financial statements present information about the Company as an individual undertaking and not about its group.

Measurement convention
The financial statements have been prepared on the historical cost basis.

Going concern
The financial statements have been prepared on a basis other than a going concern. In 2017 the Company chose not to retender for its only contract and therefore this contract came to an end on 31 May 2017. The Company has therefore ceased to trade and the Directors intend to liquidate the Company. Please see the directors report for further details. There are no material adjustments as a result of ceasing to apply the going concern assumption.

2 Accounting policies (continued)

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.

Revenue recognition
The Company adopted IFRS 15: 'Revenue from contracts with customers' from 1 January 2018. The primary impact of application is the revision of accounting policies to reflect the five-step approach to revenue recognition required by IFRS 15. All revenue for the Company has been assessed to be within the scope of IFRS15. This resulted in no changes to amounts previously recognised in the financial statements.

Revenue from the sale of goods is recognised when the goods are physically delivered to the customer. Revenue from the supply of services represents the value of services provided under contracts to the extent that there is right to consideration and is recorded at the value of consideration due.

Revenue is shown net of sales/value added tax, returns, rebates and discounts.

Leases
The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the asset or assets. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Payments under operating leases are charged to the Income Statement on a straight-line basis over the term of the relevant lease.

Exceptional items
Exceptional items are those items that, in the judgement of the Directors, need to be disclosed separately by virtue of their nature, size or incidence. To ensure the business performance reflects the underlying results of the Company, these exceptional items are disclosed separately in the income statement. Items which may be considered exceptional in nature include disposals of businesses, business restructurings, significant onerous contract charges and asset write-downs/impairments.

Finance income and costs
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying value.

2 Accounting policies (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in equity. In this case, the tax is recognised in equity.

Deferred tax is recognised in respect of all temporary differences identified at the reporting date, except to the extent that the deferred tax arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit and loss. Temporary differences are differences between the carrying amount of the Company's assets and liabilities and their tax base.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the future and there is sufficient taxable profit available against which the temporary differences can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement using tax rates that have been enacted or substantively enacted at the reporting date.

Property, plant and equipment ('PP&E')

PP&E is included in the Statement of Financial Position at cost, less accumulated depreciation and any provisions for impairment. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent expenditure in respect of items of PP&E such as the replacement of major parts, major inspections or overhauls, are capitalised as part of the cost of the related asset where it is probable that future economic benefits will arise as a result of the expenditure and the cost can be reliably measured. All other subsequent expenditure, including the costs of day-to-day servicing, repairs and maintenance, is expensed as incurred.

Depreciation of PP&E

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant, equipment and vehicles	3-5 years straight line

The carrying values of PP&E are tested annually for impairment and are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Residual values and useful lives are reassessed annually and if necessary changes are accounted for prospectively.

Investments in subsidiaries

Fixed asset investments in subsidiaries are held at deemed cost on transition to FRS 101 and in accordance with IAS 27, less any provision for impairment as necessary.

2 Accounting policies (continued)

Inventories

Inventories are valued at the lower of cost and estimated net realisable value after allowance for redundant and slow-moving items.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, that can be measured reliably, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material. Where discounting is used, the increase in the provision due to the passage of time is recognised in the income statement within interest expense.

Pensions and other post-employment benefits

Payments to defined contribution retirement benefit schemes are recognised in the Company's Income Statement as they fall due.

Impairment

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount is the greater of its value in use and its fair value less costs of disposal. The Directors have prepared the financial statements on the basis that the Company is no longer a going concern. All operations ceased during the year. Therefore it is not appropriate to determine the recoverable amount by applying a value in use methodology."

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

The Company provides for impairments of financial assets when there is objective evidence of impairment as a result of events that impact the estimated future cash flows of the financial assets.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

Trade and other receivables

Trade receivables are initially recognised at fair value, which is usually the original invoice amount, and are subsequently held at amortised cost using the effective interest method less an allowance for impairment losses. Changes in the Company's impairment policy as a result of the application of IFRS 9 did not result in any material changes. Balances are written off when recoverability is assessed as being remote. If collection is due in one year or less, receivables are classified as current assets. If not they are presented as non-current assets.

2 Accounting policies (continued)

Trade and other payables
Trade payables are initially recognised at fair value, which is usually the original invoice amount and are subsequently held at amortised cost using the effective interest method. If payment is due within one year or less, payables are classified as current liabilities. If not, they are presented as non-current liabilities.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received. Own equity instruments that are re-acquired (treasury or own shares) are deducted from equity. No gain or loss is recognised in the Company's Income Statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Loans and other borrowings
All interest-bearing and interest free loans and other borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, these financial instruments are measured at amortised cost using the effective interest method, except when they are the hedged item in an effective fair value hedge relationship where the carrying value is also adjusted to reflect the fair value movements associated with the hedged risks. Such fair value movements are recognised in the Company's Income Statement. Amortised cost is calculated by taking into account any issue costs, discount or premium, when applicable.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. In the Directors' opinion there are no critical judgements and no key sources of estimation uncertainty.

3 Revenue

The analysis of the company's revenue for the year from discontinued operations is as follows:

	2018 £ 000	2017 £ 000
Electrical, mechanical, air conditioning, ventilation, data and communication maintenance	-	637

All revenue arose from activities in the UK.

4 Analysis of costs by nature

Arrived at after charging

	2018 £ 000	2017 £ 000
Depreciation and disposals	-	11
Operating lease expense - plant and machinery	-	1
Operating lease expense - motor vehicles	-	25

5 Employees' costs

The aggregate employee costs (including Directors' remuneration) were as follows:

	2018 £ 000	2017 £ 000
Wages and salaries	-	348
Social security costs	-	40
Pension and other post-employment benefit costs	-	8
	-	396

The average number of persons employed by the Company (including Directors) during the year, analysed by category was as follows:

	2018 No. of employees	2017 No. of employees
Administration and support	-	2
Other departments	-	9
	-	11

6 Finance income

	2018 £ 000	2017 £ 000
Interest income from amounts owed by Group undertakings	386	366
Total finance income	386	366

7 Directors' remuneration

The Directors were remunerated as employees of Centrica plc Group and did not receive any remuneration, from any source, for their services as Directors of the Company during the current or preceding financial year. Accordingly, no details in respect of their emoluments have therefore been included in these financial statements.

8 Auditors' remuneration

The Company paid the following amounts to its auditors in respect of the audit of the Financial Statements provided to the Company.

	2018 £ 000	2017 £ 000
Fees payable for the audit	10	10

Auditors' remuneration totalling £10,000 for the year (2017: £10,000) relates to fees for the audit of the financial statements of P.H. Jones Facilities Management Limited. The auditors' remuneration is borne by Centrica plc.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group financial statements of its ultimate parent, Centrica plc.

9 Income tax

Tax charged/(credited) in the income statement

	2018 £ 000	2017 £ 000
Current taxation		
UK Corporation tax at 19% (2017: 19.25%)	-	83
Adjustment in respect of prior years	-	20
Total current taxation	-	103
Deferred taxation		
Adjustment in respect of previous periods	-	1
Current year	-	18
Effect of changes in tax rates	-	(2)
Total deferred taxation	-	17
Tax expense in the income statement	-	120

The main rate of corporation tax for the year to 31 December 2018 was 19.00% (2017: 19.25%). The corporation tax rate will reduce to 17% with effect from 1 April 2020. The deferred tax assets and liabilities included in these financial statements are based on tax rates having regard to their reversal profiles

The differences between the taxes shown above and the amounts calculated by applying the standard rate of UK corporation tax to the profit before tax are reconciled below:

9 Income tax (continued)

	2018 £ 000	2017 £ 000
Profit before tax at 19.00% (2017: 19.25%)	360	589
Tax expense at standard UK rate	68	113
Effects of:		
Net expenses non-deductible for tax purposes	5	4
Increase (decrease) in current tax from adjustment for prior periods	-	21
Tax decrease from utilisation of tax losses	-	109
Increase (decrease) arising from group relief tax reconciliation	(73)	-
Amounts not recognised	-	(125)
Deferred tax expense (credit) relating to changes in tax rates or laws	-	(2)
Total income tax expense	-	120

Deferred tax

The movements in respect of the deferred income tax assets and liabilities that occurred during the financial year are as follows:

	Accelerated capital allowances £ 000	Other timing differences £ 000	Total £ 000
1 January 2017	(15)	(2)	(17)
Charged to the income statement	15	1	16
Prior year adjustment	-	1	1
31 December 2017	-	-	-
31 December 2018	-	-	-

9 Income tax (continued)

Deferred tax assets and liabilities

	2018 Assets £ 000	2017 Assets £ 000
Gross deferred tax balances crystallising within one year	-	-
Gross deferred tax balances crystallising after one year	-	-
	-	-
Net deferred tax balances (after offsetting for financial reporting purposes)	-	-

10 Investments in subsidiaries, associates and joint ventures

	Shares in Group undertakings (subsidiaries) £ 000
Equity investments	
Cost	
At 1 January 2017, 1 January 2018 and 31 December 2018	-
Net book values	
At 1 January 2017, 1 January 2018 and 31 December 2018	-

Details of the equity interests of the Company in its subsidiaries undertakings are as follows as at 31 December 2018:

Name of subsidiary	Principal activity	Class of shares held	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2018	2017
Atform Limited	Dormant	100% ordinary	UK	0%	0%

The registered address of Atform Limited is Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD.

11 Trade and other receivables

	2018 Current £ 000	2017 Current £ 000
Amounts owed by Group undertakings	56	55
Prepayments and accrued income	-	11
	56	66

Included within the net amounts owed by Group undertakings disclosed above is £9,975,000 (2017: £10,362,000) that bears interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. The quarterly rates ranged between 3.72% and 4.13% per annum during 2018 (2017: 3.66% and 3.86%). The other net amounts owed by Group undertakings are interest-free. All amounts owed by Group undertakings are unsecured and repayable on demand.

12 Trade and other payables

	2018 Current £ 000	2017 Current £ 000
Trade payables	-	32
Amounts owed to Group undertakings	2,510	2,932
Accrued expenses	4	-
	2,514	2,964

All net amounts owed to Group undertakings are interest-free, unsecured and repayable on demand.

13 Capital and reserves

Allotted, called up and fully paid shares

	2018		2017	
	No. 000	£ 000	No. 000	£ 000
5,000 Ordinary shares of £1 each	5	5	5	5

Accumulated losses

The balance classified as accumulated losses includes the profits and losses realised by the Company in previous periods that were not distributed to the shareholders of the Company at the balance sheet date.

14 Parent and ultimate parent undertaking

The immediate parent undertaking is P.H Jones Group Limited, a company registered in England and Wales.

The ultimate parent and controlling party is Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated statements. Copies of the Centrica plc consolidated financial statements may be obtained from www.centrica.com.

The address of Centrica plc is Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD.