

**Parr Facilities Management Limited**

**Financial Statements**

**for the financial year ended 31 August 2020**

# Parr Facilities Management Limited

Company Number: NI632852

## BALANCE SHEET

as at 31 August 2020

	Notes	2020 £	2019 £
<b>Fixed Assets</b>			
Tangible assets	7	171,030	217,437
<b>Current Assets</b>			
Stocks	8	480,470	201,714
Debtors	9	2,844,625	1,225,062
Cash and cash equivalents		275,690	294,418
		3,600,785	1,721,194
<b>Creditors: Amounts falling due within one year</b>	10	(1,766,349)	(771,554)
<b>Net Current Assets</b>		1,834,436	949,640
<b>Total Assets less Current Liabilities</b>		2,005,466	1,167,077
<b>Creditors</b>			
Amounts falling due after more than one year	11	(642,283)	(176,301)
<b>Net Assets</b>		1,363,183	990,776
<b>Capital and Reserves</b>			
Called up share capital		100	100
Profit and Loss Account		1,363,083	990,676
<b>Shareholders' Funds</b>		1,363,183	990,776

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 company has taken advantage of the exemption under section 444 not to file the Profit and Loss Account and Directors' Report.

Approved by the Board and authorised for issue on 28 May 2021 and signed on its behalf by

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**Stephen Parr**  
Director



# **Parr Facilities Management Limited**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 August 2020

### **1. GENERAL INFORMATION**

Parr Facilities Management Limited is a company limited by shares incorporated in Northern Ireland.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Statement of compliance**

The financial statements of the company for the year ended 31 August 2020 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2006.

#### **Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

#### **Turnover**

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment	-	20% Reducing balance
Motor vehicles	-	20% Reducing balance

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

#### **Leasing and hire purchases**

Tangible fixed assets held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

**Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress includes labour and attributable overheads.

**Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Employee benefits**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

**Taxation and deferred taxation**

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

**Government grants**

Capital grants received and receivable are treated as deferred income and amortised to the Profit and Loss Account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Profit and Loss Account when received.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

**Ordinary share capital**

The ordinary share capital of the company is presented as equity.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Preparation of the financial statements requires management to make significant judgements and estimates. The areas in the financial statements where these judgements and estimates have been made include the following:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**  
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Useful economic lives of tangible assets**  
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Note 12 for the carrying amount of the tangible fixed assets.

**(b) Key accounting estimates and assumptions**

**Provision for bad or doubtful debts**  
The company has significant trade debtor balances from a large number of customers at any given point in time and further to that, significant debtor balances from related party entities. Consequently estimating the required provision for such debtors requires a regular review to identify those entities where events (either historical or current) give management an indication that future collectability may be uncertain.

#### 4. LIABILITY LIMITATION AGREEMENT

The Company has agreed a limitation of liability clause with its auditor. The aggregate liability of the firm, its partners, agents and employees or any of them for Total Damage shall be limited to the amount of £1.5 million.

#### 5. INFORMATION RELATING TO THE AUDITOR'S REPORT

The Audit Report was unqualified. There were no matters to which the auditor was required to refer by way of emphasis.

The financial statements were audited by PGR Accountants Limited.

The Auditor's Report was signed by Richard Gray (Senior Statutory Auditor) for and on behalf of PGR Accountants Limited on 28th May 2021.

#### 6. EMPLOYEES

The average monthly number of employees, including directors, during the financial year was 49, (2019 - 53).

	2020 Number	2019 Number
Director	2	2
Site staff	47	51
	<b>49</b>	53

#### 7. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 September 2019	12,874	282,670	295,544
Additions	2,800	6,725	9,525

Disposals	-	(24,190)	(24,190)
At 31 August 2020	15,674	265,205	280,879
<b>Depreciation</b>			
At 1 September 2019	5,251	72,856	78,107
Charge for the financial year	1,980	40,031	42,011
On disposals	-	(10,269)	(10,269)
At 31 August 2020	7,231	102,618	109,849
<b>Net book value</b>			
At 31 August 2020	<b>8,443</b>	<b>162,587</b>	<b>171,030</b>
At 31 August 2019	7,623	209,814	217,437
<b>8. STOCKS</b>	<b>2020</b>	2019	
	£	£	
Work in progress	<b>480,470</b>	201,714	
<b>9. DEBTORS</b>	<b>2020</b>	2019	
	£	£	
Trade debtors	<b>1,358,284</b>	910,770	
Amounts owed by group companies	<b>1,336,341</b>	256,091	
Other debtors	<b>150,000</b>	37,132	
Directors' current accounts (Note )	-	18,589	
Taxation	-	1,985	
Prepayments and accrued income	-	495	
	<b>2,844,625</b>	1,225,062	
<b>10. CREDITORS</b>	<b>2020</b>	2019	
<b>Amounts falling due within one year</b>	£	£	
Bank overdrafts	-	40	
Bank loan	<b>66,664</b>	-	
Net obligations under finance leases and hire purchase contracts	<b>64,794</b>	56,417	
Trade creditors	<b>312,174</b>	532,467	
Taxation	<b>1,130,074</b>	108,957	
Other creditors	<b>2,606</b>	-	
Accruals	<b>190,037</b>	73,673	
	<b>1,766,349</b>	771,554	

Danske Bank Limited holds a charge over all the assets and undertaking of the company, containing a fixed charge, floating charge and negative pledge. The company has provided security in the form of an inter-company cross guarantee in favour of SPE Contracts Limited, a related party.

<b>11. CREDITORS</b>	<b>2020</b>	<b>2019</b>
<b>Amounts falling due after more than one year</b>	<b>£</b>	<b>£</b>
Bank loan	<b>533,336</b>	-
Finance leases and hire purchase contracts	<b>108,947</b>	176,301
	<b>642,283</b>	176,301
<b>Loans</b>		
Repayable in one year or less, or on demand (Note 10)	<b>66,664</b>	40
Repayable between one and two years	<b>66,664</b>	-
Repayable between two and five years	<b>199,992</b>	-
Repayable in five years or more	<b>266,680</b>	-
	<b>600,000</b>	40
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	<b>64,794</b>	56,417
Repayable between one and five years	<b>108,947</b>	176,301
	<b>173,741</b>	232,718

## **12. CAPITAL COMMITMENTS**

The company had no material capital commitments at the financial year-ended 31 August 2020.

## **13. CONTINGENT LIABILITIES**

A counterclaim was issued against the group during the year ended 31 August 2018. In the view of significant legal counsel, the company has a strong defence to each of the elements of the counterclaim. Legal counsel considers that there may be future economic outflows of £50,000 but it is too early to estimate the probability or timing of any such outflow. As such, no provision has been included in these accounts in respect of this claim.

## **14. RELATED PARTY TRANSACTIONS**

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

## **15. PARENT AND ULTIMATE PARENT COMPANY**

The company regards Parr Group Limited as its parent company.

The Ultimate Parent Company is Parr Group Limited.

The address of Stephen Parr is Unit 1 Tamar Commercial Centre, Chater Street.

Stephen Parr is regarded as both the controlling party and the ultimate controlling party.

The largest parent in which the results are consolidated is Parr Group Limited.

Parr Group Limited is registered in Northern Ireland.



## **16. POST-BALANCE SHEET EVENTS**

There have been no significant events affecting the company since the financial year-end.

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.