PHSC plc

UNAUDITED INTERIM FINANCIAL STATEMENTS
PREPARED PURSUANT TO SECTION 838 OF THE COMPANIES ACT 2006

FOR THE 4 MONTH PERIOD ENDED 31 JULY 2024

Registered number 4121793 (England and Wales)

PHSC plc

STATEMENT OF COMPREHENSIVE INCOME
for the 4 month period ended 31 July 2024

	Note	Unaudited 4 months ended 31 July 2024 £
Continuing operations:		
Revenue	2	60,000
Cost of sales		-
Gross profit		60,000
Administrative expenses		(161,124)
Loss from operations		(101,124)
Finance income	6	6,149
Loss before taxation	3	(94,975)
Corporation tax credit		23,700
Loss for the year after tax		(71,275)
Other comprehensive income		-
Total comprehensive income		(71,275)

Company number: 4121793 (England and Wales)

PHSC plc

GROUP STATEMENT OF FINANCIAL POSITION
as at 31 July 2024

	Note	31.7.24 £
Non-Current Assets		
Property, plant and equipment	7	355,601
Investments	8	2,217,388
		2,572,989
Current Assets		
Trade and other receivables	9	1,106,673
Cash and cash equivalents	10	227,080
		1,333,753
Total Assets		3,906,742
Current Liabilities		
Trade and other payables	11	28,190
Current corporation tax payable		(23,700)
		4,490
Non-Current Liabilities		
Deferred tax liabilities	12	47,714
		47,714
Total Liabilities		52,204
Net Assets		3,854,538
Capital and reserves attributable to equity holders of the Group		
Called up share capital	13	1,028,088
Share premium account	13	1,916,017
Capital redemption reserve		583,266
Merger relief reserve		133,836
Retained earnings		193,331
		3,854,538

The financial statements on pages 1 to 11 were approved and authorised for issue by the board of directors on 17 September 2024, and were signed on its behalf by:

Signed by:
Stephen King
1E71BC482E9349C...
S A King *Director*

PHSC plc

STATEMENT OF CHANGES IN EQUITY
for the 4 month period ended 31 July 2024

	Share Capital £	Share Premium £	Merger Relief Reserve £	Capital Redemption Reserve £	Treasury Shares £	Retained Earnings £	Total £
Balance at 1 April 2024	1,103,426	1,916,017	133,836	507,928	(209,977)	(25,417)	3,425,813
Loss for period attributable to equity holders	-	-	-	-	-	(71,275)	(71,275)
Dividends	-	-	-	-	-	500,000	500,000
Cancellation of own shares	(75,338)	-	-	75,338	209,977	(209,977)	-
Balance at 31 July 2024	1,028,088	1,916,017	133,836	583,266	-	193,331	3,854,538

1. BASIS OF PREPARATION

The Company's financial statements have been prepared in accordance with IFRSs, in conformity with the requirements of the Companies Act 2006, International Financial Reporting Intermediate Committee (IFRIC) interpretations and under the historical cost convention. They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024 which have been prepared in accordance with UK adopted international accounting standards and under the historical cost convention.

2. ACCOUNTING POLICIES

Revenue
Management charge income is recognised when the service the Company has provided is fulfilled.

Deferred income tax
Deferred tax is provided in full on temporary differences between the carrying amounts of assets and liabilities and their tax bases, except when, at the initial recognition of the asset or liability, there is no effect on accounting or taxable profit or loss under a business combination or this does not give rise to equal taxable and deductible temporary differences. Deferred tax is determined using tax rates and laws that have been substantially enacted by the statement of financial position date, and that are expected to apply when the temporary difference reverses.

Pensions
The Company operates a defined contribution pension scheme. Contributions payable for the year are charged to the income statement.

Property, plant and equipment
Property, plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of non-current assets, less their estimated residual value, over the shorter of the expected useful life or lease term, on the following bases:

Freehold buildings	- 2% of cost on a straight-line basis
Improvements to property	- on a straight-line basis (10% of cost if expected useful life is shorter than the lease term)
Plant and equipment	- 25% reducing balance basis

Investments
Investments in subsidiary undertakings are stated at cost less amounts provided for any impairment in value.

Impairment of tangible and intangible assets
An impairment loss is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal discounted cash flow evaluation. Impairment losses are charged to administrative expenses.

Taxation
Current income tax assets/liabilities comprise those claims from or obligations to fiscal authorities relating to the current or prior reporting periods, that are unpaid at the statement of financial position date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year.

1. ACCOUNTING POLICIES (continued)

Provisions
These are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Financial instruments
Trade receivables and contract assets are initially stated at the transaction price and subsequently measured at amortised cost using the effective interest method. The carrying amounts for accounts receivable are net of allowances for expected credit losses. The Company evaluated the expected credit losses on trade receivables by reviewing historical data, adjusted for forward-looking factors to the debtors and the economic environment. Individual receivables are only written off when management deems them not collectible.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. The proceeds of share issues received net of any directly attributable transaction costs are credited to share capital at nominal value and the excess credited to the share premium account. The capital redemption reserve arose when the Company repurchased some of its own shares. At that point, the nominal value of those shares was transferred to the capital redemption reserve. The merger relief reserve represents the premium of any shares issued in part consideration on acquisitions in accordance with section 612 of the Companies Act 2006.

Dividends
Dividends received from subsidiary companies are recognised at the point that the right to receive the dividend has been established.

2. REVENUE

The revenue of the Company during the year was generated in the UK and derives from the management charge levied on the subsidiary companies and is recognised when the service is delivered.

3. LOSS BEFORE TAXATION

The loss before taxation is stated after charging:	31.7.24
	£
Depreciation - owned assets	5,000

4. DIRECTORS' REMUNERATION

	31.7.24
	£
Emoluments	51,539
Pension contributions to money purchase pension schemes	14,071
	65,610

PHSC plc

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the 4 month period ended 31 July 2024

5. STAFF COSTS

The average number of employees during the year was as follows:

	31.7.24
Directors	4
Consultants	1
Administration	2
	7

The aggregate payroll costs of these persons were as follows:	£
Wages and salaries	67,409
Social security costs	6,411
Other pension costs	6,694
	80,514

The directors are considered to be key management personnel of the Company.

6. FINANCE INCOME

	31.7.24
	£
Finance income	
Interest receivable	6,149

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Freehold improvements	Plant and equipment	Totals
	£	£	£	£
COST OR VALUATION				
At 1 April 2024	441,908	42,814	20,031	504,753
Additions	-	-	-	-
At 31 July 2024	441,908	42,814	20,031	504,753
DEPRECIATION				
At 1 April 2024	93,894	35,082	15,176	144,152
Charge for year	2,920	920	1,160	5,000
At 31 July 2024	96,814	36,002	16,336	149,152
NET BOOK VALUE				
At 31 July 2024	345,094	6,812	3,695	355,601
At 31 March 2024	348,014	7,732	4,855	360,601

8. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Investment in shares of subsidiary undertakings	31.7.24 £
At 1 April and 31 July 2024	2,217,388

Investments in subsidiary undertakings are stated at cost and include the following:

Name of Company	Class of shares held	Proportion of voting rights held	Registered office
B2BSG Solutions Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Camerascan CCTV Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Envex Company Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
In House The Hygiene Management Company Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Inspection Services (UK) Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Personnel Health & Safety Consultants Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Quality Leisure Management Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
QCS International Limited	Ordinary	100%	9 Cumbernauld Business Park, Cumbernauld, North Lanarkshire, Scotland G67 3JZ
RSA Environmental Health Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
Safetymark Certification Services Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR
SG Systems (UK) Limited	Ordinary	100%	The Old Church, 31 Rochester Road, Aylesford, Kent, ME20 7PR

9. TRADE AND OTHER RECEIVABLES

	31.7.24 £
Amount owed by subsidiary undertakings	1,078,673
Other debtors and prepayments	28,000
	1,106,673

The amount owed by subsidiary undertakings is subject to IFRS 9's expected credit loss model. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all balances owed from subsidiary undertakings. This did not lead to a material change in the assessment of the potential impairment of amounts owed from subsidiary undertakings, such that no adjustment has been made.

10. CASH AND CASH EQUIVALENTS

	31.7.24
	£
Bank	227,080

On 1 October 2008, PHSC plc entered into an unlimited multilateral guarantee with HSBC Bank plc. Until the middle of March 2023 each company within the Group operated its own current account, the balance on which was allowed to fluctuate according to trading conditions. Interest was only charged on a net overdrawn balance as the Group had the right to offset overdrawn accounts with accounts in credit across the Group. It is now the case that interest is charged on each account on a standalone basis necessitating funds to be moved between Group companies to avoid any interest charges. These movements are reflected through inter-company accounts which accounts for some relatively large inter-company balances at the year end. The Group has an overdraft facility of £50,000 which is secured by a debenture including a fixed charge over certain freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. The overdraft is next scheduled for review in October 2024. On 31 July 2024, PHSC plc's Company balance was £227,080 within the Group's cash at bank and in hand figure of £564,828.

11. TRADE AND OTHER PAYABLES

	31.7.24
	£
Trade payables	11,439
Social security and other taxes	2,783
Amounts owed to Group undertakings	-
Other payables	4,091
Accruals	9,877
	28,190

12. DEFERRED TAXATION

	31.7.24
	£
Deferred taxation - accelerated capital allowances	47,714

13. SHARE CAPITAL

Called up, allotted and fully paid	Number of shares (Nominal value of 10p each)	Ordinary shares £	Share premium £	Total £
At 1 April 2024	11,034,237	1,103,426	1,916,017	3,019,443
Cancellation of shares held in Treasury	(753,384)	(75,338)	-	(75,338)
At 31 July 2024	10,280,853	1,028,088	1,916,017	2,944,105

The authorities granted by shareholders at the 2022 AGM and 2023 AGM were utilised to implement two share buyback programmes during the year ended 31 March 2024. The second was announced on 19 March 2024 and completed on 28 March 2024. Over that period, the Company's broker was able to repurchase a total of 753,384 ordinary shares on the Company's behalf for a total consideration (including costs) of £209,977. The repurchased shares were held in treasury at the year end and were cancelled on 11 June 2024. The buyback programmes were funded from the surplus cash held on account.

14. RELATED PARTY DISCLOSURES

A management charge is levied by PHSC plc on its subsidiary companies to reflect the central services it provides.

	31.7.24
	£
Management charge from PHSC plc to subsidiary companies	60,000

The inter-company balances between PHSC plc and the other companies within the PHSC plc Group are summarised below.

	31.7.24
Amounts owed by Group undertakings	£
B2BSG Solutions Limited	17,242
Camerascan CCTV Limited	229,701
In House the Hygiene Management Company Limited	469,304
Inspection Services (UK) Limited	28,488
Personnel Health & Safety Consultants Limited	173,471
Quality Leisure Management Limited	27,212
QCS International Limited	110,834
RSA Environmental Health Limited	22,421
	1,078,673

PHSC plc received dividends from subsidiaries as follows:	
Inspection Services (UK) Limited	20,000
Personnel Health & Safety Consultants Limited	200,000
QCS International Limited	200,000
Quality Leisure Management Limited	70,000
RSA Environmental Health Limited	10,000
	500,000

15. FINANCIAL INSTRUMENTS

Set out below are the Company's financial instruments:

	31.7.24
	£
Financial assets at amortised cost	
Trade and other receivables	1,106,673
	1,106,673
Financial liabilities at amortised cost	
Trade and other payables	28,190
	28,190
Due within 1 year	28,190
Due in over 1 year	-
	28,190

The main risk arising from the Company's financial instruments is liquidity risk. The Company seeks to manage this risk by ensuring that sufficient liquidity is available from current banking facilities to meet foreseeable needs and to invest cash assets safely and profitably. This policy has remained unchanged from previous periods.

The fair values of the Company's financial instruments are not considered to be materially different to their book value.

16. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company may be required to make estimates and assumptions concerning the future. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The principal area where judgement is exercised is in respect of the impairment of investments. The directors deem that there has been no impairment of the investments since 31 March 2024.

17. PARENT UNDERTAKING

There is no ultimate controlling party but the largest shareholder, Ms N Coote currently owns 21.36% of the issued share capital of PHSC plc.