

# **Fire and Air Services Limited**

Report and financial statements

For the year ended 31 December 2019

Company number: 06473866

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**Fire and Air Services Limited**  
**Report and financial statements**  
for the year ended 31 December 2019

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# **Fire and Air Services Limited**

## **Company information**

**For the year ended 31 December 2019**

**The Board of Directors**

T.E. Evans  
S.P. Fisher

**Company Secretary**

L.C. Ryan

**Registered Office**

Servest House  
Heath Farm Business Centre  
Tut Hill  
Fornham All Saints  
Bury St. Edmunds  
Suffolk  
IP28 6LG

# Fire and Air Services Limited

## Strategic Report

for the year ended 31 December 2019

The Directors present their Strategic Report and financial statements for the year ended 31 December 2019.

### Business review

The year ended 31 December 2019 was a year of progress towards the medium term strategic goals.

Fire & Air Services Limited had no trade throughout the period and acts as a dormant intermediate holding company. The Thermotech Group headed by Thermotech Solutions Limited continues to maintain excellent relationships with its customer base securing its pipeline of future work across its main service and installation offering.

The Directors rely on a number of KPIs such as gross margin and net profit percentages, debtor days and other measures which for the period under review were broadly in line with expectations. To monitor business performance, Directors also monitor a number of non-financial measurements including customer service levels, staff turnover, absence statistics and health and safety reports.

### Principal risks and uncertainties

The principal risks and uncertainties facing the Company are considered to be:

- COVID-19 pandemic and its wide-reaching impact on the economy, industry and operations of the business
- Cyber and IT infrastructure;
- Health and safety;
- Market share;
- Attraction and retention of key management;
- Non-compliance with applicable legislation and governance resulting in material liabilities;
- Political and economic factors;
- Customer and contract losses; and
- Financial risks such as credit risk, bad debts and availability of capital.

The Company's risk management programme dictates that there is regular monitoring and management of these risks in order to protect the Group against their potential adverse effects. All the above risks and uncertainties are kept under constant review by the Board on a day to day basis and also via monthly board meetings. The Directors are confident that the business maintains robust risk control and review procedures and that all applicable risks are managed to an acceptable level.

### Future outlook

Despite a successful 2019 the wider Thermotech Group is currently undergoing a strategic review of its business with the aim of improving its underlying profitability and integration into the Atalian Servest AMK Limited business. This will create a platform for growth through expanding its service offering to the wider Atalian Servest customer base.

This report was approved by the board and signed on its behalf by



T.E. Evans  
Director

Date 07 August 2020

# **Fire and Air Services Limited**

## **Directors' Report**

**for the year ended 31 December 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) including FRS 101 'Reduced Disclosure Framework' ('FRS 101') and applicable laws. 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

### **Principal activities**

The principal activities of the Company is that of a holding company.

During the prior period, the Company changed its accounting reference date to 31 December 2018 in order to align its account period with the new ultimate parent company. As a result, the results for the prior period represent the 9-month period to 31 December 2018, whilst the current period information represents the 12-month period to 31 December 2019.

### **Strategic report**

The Company has chosen in accordance with the Companies Act 2006, s414C to set out in the Company's Strategic Report information required by the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008. It has done so in respect of details of future developments of the Company, the principal risks and uncertainties and a review of the key performance indicators as assessed by the Directors. Sch. 7 of s414C is contained in the Directors' Report.

### **Results and dividends**

The profit for the year, after taxation, amounted to £nil (2018: £2,000,000).

The Directors do not recommend the payment of an ordinary dividend during the year (2018: £4,250,000).

### **Directors**

The Directors of the Company who served during the year were:

T.E. Evans

D. Cruickshank (resigned 31 March 2020)

S.P. Fisher (appointed 25 April 2019)

G. Craig (resigned 11 January 2019)

G.S. Peel (resigned 25 April 2019)

# **Fire and Air Services Limited**

## **Directors' Report (continued)**

**for the year ended 31 December 2019**

### **Going concern**

The Board expect the coronavirus pandemic to have a significant impact on the Company's business and financial results in 2020. However, notwithstanding the shortfalls in revenue experienced in some areas of the business, the actions taken to control costs and operating expenses are countering and stabilising the adverse impact.

As part of the assessment of going concern the Directors considered the impact of COVID-19 on forecast revenue, EBITDA and cashflow taking into accounting the mitigating actions the Directors have implemented to maximise the Group's available liquidity over the forecast period. The mitigating actions include pro-actively reducing our cost base, the review and if appropriate the renegotiation of our supplier arrangements, rigorous management of our operating expenses and strong contract management. We also intend to make use wherever possible of any relevant facilities or arrangements provided by the UK Government to assist companies through the crisis. Through these measures, we anticipate being able to mitigate the impact of the outbreak on our financial results and on our liquidity with no shortfall. We have also taken and are continuing to take steps to manage our cash position and maintain our liquidity.

As a result of these measures, the Directors are satisfied that the Company has sufficient resources and liquidity available and therefore have reasonable expectations that the Company will be able to continue in operational existence for the foreseeable future. The Company therefore continue to adopt the going concern basis in preparing their financial statements.

### **Post balance sheet events**

Please see note 12 for further details.

### **Financial instruments**

The Company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The Company aims to finance working capital through retained earnings and making use of borrowings at the prevailing market rate. The Company's exposure to the price risk of financial instruments is therefore minimal. The Directors do not consider any other risk attaching to the use of the financial instruments within the Company to be material to an assessment of its financial position or profit.

### **Directors' indemnities**

The indirect parent company Atalian Servest Limited maintained qualifying third party indemnity provisions (as defined by Section 236 of the Companies Act 2006) for the benefit of the directors throughout the period and this remains in force as at the date of approving the Directors' Report.

### **Engagement with employees**

Information is provided to employees through regular meetings. Employees are encouraged to give their views to management as the need arises. Staff are kept informed of the financial and economic factors affecting the Company's performance by formal and informal meetings and through the internal communication programme involving the Company's intranet and e-shots. The Company is committed to pursuing equality and diversity in all its activities. To the extent possible, people with disabilities are offered the same employment opportunities as other employees. Employees are regularly updated on performance against the Company's strategy and the Directors are aware of the benefits in ensuring a comprehensive understanding of employee's views.

### **Engagement with suppliers, customers and others**

Strong business relationships with customers, suppliers and other third parties are critical to the long-term success of the Company, so a partnership ethos is encouraged to create sustainable relationships. Communication is so often the key to understanding each party's wants and needs. That being the case, regular meetings are held, and site visits conducted to ensure that there is sufficient opportunity for dialogue.

### **Disabled employees**

The company gives full consideration to application for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever possible.

### **Approval**

The Directors' Report was approved by order of the board and signed on its behalf by



**T.E. Evans**

Director

Date 07 August 2020

# Fire and Air Services Limited

## Income Statement

For the year ended 31 December 2019

	Note	12 month period ending Dec-19 £'000	9 month period ending Dec-18 £'000
Income from investments		-	2,000
<b>Operating profit</b>		<b>-</b>	<b>2,000</b>
Taxation on profit on ordinary activities	5	-	-
<b>Profit on ordinary activities after taxation</b>		<b>-</b>	<b>2,000</b>

The profit for the year and prior period arose entirely from continuing operations.

There was no other comprehensive income for the year (2018: £nil).

The notes on pages 10 to 16 form part of these financial statements.

# Fire and Air Services Limited

## Statement of Financial Position

As at 31 December 2019

	Note	Dec-19 £'000	Dec-18 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	6	5,541	5,541
<b>Total non-current assets</b>		<b>5,541</b>	<b>5,541</b>
<b>Current assets</b>			
Trade and other receivables	7	271	271
<b>Total current assets</b>		<b>271</b>	<b>271</b>
<b>Total assets</b>		<b>5,812</b>	<b>5,812</b>
<b>Current liabilities</b>			
Trade and other payables	8	(5,767)	(5,767)
<b>Total current liabilities</b>		<b>(5,767)</b>	<b>(5,767)</b>
<b>Net current liabilities</b>		<b>(5,496)</b>	<b>(5,496)</b>
<b>Net assets</b>		<b>45</b>	<b>45</b>
<b>Equity</b>			
Called up share capital	9	1	1
Profit and loss account		44	44
<b>Total equity</b>		<b>45</b>	<b>45</b>

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies and the members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors, authorised for issue and were signed on its behalf by

  
T.E. Evans

Director

Date 07 August 2020

Company Number: 06473866

The notes on pages 10 to 16 form part of these financial statements.



**Fire and Air Services Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2019

	Note	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
<b>Balance at 1 April 2018</b>		<b>1</b>	<b>2,294</b>	<b>2,295</b>
Profit for the period		-	2,000	2,000
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>2,000</b>	<b>2,000</b>
<b>Transactions with owners</b>				
Dividends paid	4	-	(4,250)	(4,250)
<b>Balance at 31 December 2018</b>		<b>1</b>	<b>44</b>	<b>45</b>
Profit for the year		-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 December 2019</b>		<b>1</b>	<b>44</b>	<b>45</b>

The notes on pages 10 to 16 form part of these financial statements.

# Fire and Air Services Limited

## Notes to the financial statements

for the year ended 31 December 2019

### 1. Basis of preparation

Fire and Air Services Limited is a company limited by shares, incorporated in England and Wales under the Companies Act. The registered office is Servest House, Heath Farm Business Centre, Tut Hill, Fornham All Saints, Bury St. Edmunds, Suffolk, IP28 6LG.

The financial statements have been prepared in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* and Financial Reporting Standard 101 *Reduced Disclosure Framework*. The policies have been consistently applied to all the periods presented.

The financial statements have been prepared on a historical cost basis.

The functional and presentational currency of the Company is sterling and the amounts have been presented in round thousands (£'000). In the prior period, the financial period end of the Company was changed from 31 March to 31 December so as to be coterminous with the year end of its parent company. Accordingly, the prior period financial statements are prepared for 9 months from 1 April 2018 to 31 December 2018 and as a result, the current period figures stated in the Income Statement, Statement of Changes in Equity and the related notes are not directly comparable.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures';
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
  - iii. Paragraph 79(a)(iv) of IAS 1;
  - iv. Paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
  - v. Paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1, 'Presentation of financial statements'
  - (i) Paragraph 10(d) - the requirement to prepare a statement of cashflows
  - (ii) Paragraph 16 - a statement of compliance with all IFRSs
  - (iii) Paragraph 38A - the requirement for minimum of two primary statements, including cash flow statements
  - (iv) Paragraph 38B-D - certain additional comparative financial information
  - (v) Paragraph 111 - the requirement to present information in respect of the statement of cashflows
  - (vi) Paragraph 134–136 - the requirement to disclose information in respect of capital management
- The requirements of IAS 7 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' - requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- Paragraph 17 and 18A of IAS 24, 'Related party disclosures' - disclosures in respect of key management compensation; and
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

The financial statements of Atalian Servest Limited where the above items are disclosed (if applicable) can be obtained as described in note 11.

The financial statements contain information about Fire and Air Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the EEA accounts of a larger group.

The principal accounting policies adopted in the preparation of the financial statement are set out below.

#### New standards and interpretations adopted by the Company in the year ended 31 December 2019

##### IFRS 9

IFRS 9 uses an expected credit loss model for recognising impairment of financial assets held at amortised cost. This requires the Group to consider forward-looking information to calculate expected credit losses regardless of whether there has been an impairment trigger.

Under IFRS 9, only assets which consist solely payments of principal and interest ('SPPI') can be recorded at amortised cost. All financial assets held by the Group are SPPI and can therefore be subsequently measured at amortised cost. As a result of this implementation of a new standard, comparatives prepared under IAS 39 are not directly comparable.

Several other amendments and interpretations apply for the first time in 2019 but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

# **Fire and Air Services Limited**

## **Notes to the financial statements (continued)**

for the year ended 31 December 2019

### **Basis of preparation (continued)**

#### **Going concern**

The Board expect the coronavirus pandemic to have a significant impact on the Company's business and financial results in 2020. However, notwithstanding the shortfalls in revenue experienced in some areas of the business, the actions taken to control costs and operating expenses are countering and stabilising the adverse impact.

As part of the assessment of going concern the Directors considered the impact of COVID-19 on forecast revenue, EBITDA and cashflow taking into accounting the mitigating actions the Directors have implemented to maximise the Group's available liquidity over the forecast period. The mitigating actions include pro-actively reducing our cost base, the review and if appropriate the renegotiation of our supplier arrangements, rigorous management of our operating expenses and strong contract management. We also intend to make use wherever possible of any relevant facilities or arrangements provided by the UK Government to assist companies through the crisis. Through these measures, we anticipate being able to mitigate the impact of the outbreak on our financial results and on our liquidity with no shortfall. We have also taken and are continuing to take steps to manage our cash position and maintain our liquidity.

As a result of these measures, the Directors are satisfied that the Company has sufficient resources and liquidity available and therefore have reasonable expectations that the Company will be able to continue in operational existence for the foreseeable future. The Company therefore continue to adopt the going concern basis in preparing their financial statements.

## **2. Accounting policies**

#### **Investments**

Investments in subsidiaries are measured at cost less accumulated impairment losses.

Investments in unlisted Company shares, whose market value can be reliably determined are remeasured to market value at each reporting period end. Gains and losses on remeasurement are recognised in the income statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

#### **Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### **Trade and other payables**

Trade payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

#### **Trade receivables**

Trade receivables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognised as it accrues.

# Fire and Air Services Limited

## Notes to the financial statements *(continued)*

for the year ended 31 December 2019

### Accounting policies *(continued)*

#### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### *Financial assets*

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company recognises and measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company only has financial assets measured at amortised cost.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

(b) Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Where the effect of discounting future cash receipts over the short credit period is not material, financial assets are not measured using the EIR method.

(c) Derecognition

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

(d) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, and recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

# Fire and Air Services Limited

## Notes to the financial statements *(continued)*

for the year ended 31 December 2019

### Accounting policies *(continued)*

#### Financial instruments *(continued)*

##### *Financial liabilities*

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company only has financial liabilities classified as loans and borrowings, and payables.

(b) Subsequent measurement

Liabilities classified as a loans or borrowing are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

(c) Derecognition

Financial liabilities are derecognised when, and only when, the Company's contractual obligations are discharged, cancelled, or they expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

#### Dividend distribution

Final dividends to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when they are paid.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 101 requires the use of certain critical accounting estimates. It also requires the Company's Directors to exercise judgement in applying the Company's accounting policies. No areas have been identified where significant judgements and estimates have been required in preparing the financial statements.

### 4. Dividends paid

	12 month period ending Dec-19 £'000	9 month period ending Dec-18 £'000
Dividends paid	-	4,250

**Fire and Air Services Limited**  
**Notes to the financial statements (continued)**  
for the year ended 31 December 2019

**5. Taxation**

**a) Tax on profit on ordinary activities**

There was no tax on profit on ordinary activities for the period

**b) Factors affecting the total tax charge**

The tax assessed is different to the standard rate of corporation tax in the UK of 19% (March 2018: 19%). The differences are explained below:

	12 month period ending Dec-19 £'000	9 month period ending Dec-18 £'000
Profit before tax	-	2,000
Profit multiplied by the rate of corporation tax of 19% (March 2018: 19%)	-	380
Effects of:		
Non-taxable income	-	(380)
<b>Total taxation charge</b>	<b>-</b>	<b>-</b>

**c) Factors that may affect future tax charges**

A reduction to the corporation tax rate to 17% (effective 1 April 2020) was substantively enacted on 9 September 2016. However, this reduction to 17% was cancelled in March 2020 and deferred tax assets will be calculated using the current rate of 19% in future periods. This announcement does not constitute substantive enactment and therefore deferred taxes at the balance sheet date continue to be measured at the enacted rate of 17%.

**6. Investments**

	Investments in subsidiary companies £'000
<i>Cost</i>	
At 1 April 2018	5,541
<b>At 31 December 2018</b>	<b>5,541</b>
<b>At 31 December 2019</b>	<b>5,541</b>
<i>Net book amount</i>	
At 31 December 2018	5,541
<b>At 31 December 2019</b>	<b>5,541</b>

Details in respect of the Company's investments are shown below

Name	Country of incorporation	Class of shares held	Proportion of ownership interest	Principal activities
Thermotech Mechanical Services Limited	England and Wales	Ordinary	100%	Maintenance services
Thermotech Fire Protection Limited	England and Wales	Ordinary	100%	Maintenance services
Oakwood Technology Group Limited	England and Wales	Ordinary	100%	Maintenance services
Oakwood Air Conditioning Limited*	England and Wales	Ordinary	100%	Dormant company

\* denotes indirect holding

**Fire and Air Services Limited**  
**Notes to the financial statements (continued)**  
for the year ended 31 December 2019

**7. Trade and other receivables**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by group undertakings	271	271
	<b>271</b>	<b>271</b>

Amounts owed by group undertakings are interest free and repayable on demand.

**8. Trade and other payables**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	5,767	5,767
	<b>5,767</b>	<b>5,767</b>

Amounts owed to group undertakings are interest free and repayable on demand.

**9. Share capital**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£'000</b>	<b>£'000</b>
<i>Allotted, called up and fully paid</i>		
1,000 Ordinary shares of £1	1	1
	<b>1</b>	<b>1</b>

Ordinary shares have attached to them full voting, dividend and capital distribution rights.

**10. Reserves**

**Profit and loss account**

Profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments

**Share capital**

Called up share capital reserve represents the nominal value of shares issued.

**11. Controlling party**

The parent company and head of the smallest group for which consolidated accounts are available is Atalian Servest Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The ultimate parent company and the head of the largest group for which consolidated accounts are drawn up for the year ended 31 December 2019 was La Financière Atalian S.A.S, a company incorporated in France. Consolidated financial statements are available from 111-113 Quai Jules Guesde, Vitry-sur-Seine, France.

In the opinions of the Directors' the ultimate controlling party is Mr F J Julien.

# **Fire and Air Services Limited**

## **Notes to the financial statements *(continued)***

**for the year ended 31 December 2019**

### **12. Post balance sheet events**

While in January and February of this year the business showed strong momentum consistent with 2019 trends, we expect the COVID-19 (Coronavirus) outbreak to have an impact on our business and financial results in the remainder of 2020.

As a result of the outbreak, since the second half of March, there have been significant shortfalls in revenue. A management crisis committee has been established that meets daily to monitor the actions resulting from this pandemic. We are complying with health and safety protocols established by the authorities and agencies of each country, and we have reinforced our internal regulations for personal hygiene and infection control.

Safeguarding the health, safety and wellbeing of the Company's employees and of third parties has been and continues to be of primary importance during this period, and the management crisis committee has overseen the Group's approach to these matters. Specific risk assessments, method statements and training modules on safe ways of working within the changing environment have been produced, personal protective equipment appropriate to each role is provided, and other measures such as reducing travel, keeping physical meetings to a minimum and encouraging remote working are in place.

We have also taken a strong set of actions to mitigate the impact of the Coronavirus outbreak on our financial results. We are pro-actively reducing our cost base, particularly in the regions where we have experienced a marked shortfall in revenue, through the active management of our workforce, the review and if appropriate the renegotiation of our supplier arrangements, the rigorous management of our operating expenses and strong contract management. We also intend to make use wherever possible of any relevant facilities or arrangements provided by the UK Government to assist companies through the crisis. Through these measures, we anticipate being able to mitigate the impact of the outbreak on our financial results and on our liquidity with no shortfall. While our current view is that a majority of the impact on demand for our services in the first half of 2020 demand will be recovered throughout the second half of the year, the impact on 2020 Financial Results will depend on the timing of the ramp up of the business post crisis.