

**ASSEMBUILD TOPCO LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2021**



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**ASSEMBUILD TOPCO LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	J W J Bennett (appointed 17 February 2021) M T J Orchard (appointed 1 March 2021) D Perry (appointed 12 April 2021) G D Dixon (appointed 1 March 2021) L M Yell (appointed 1 March 2021)
<b>Registered number</b>	13207964
<b>Registered office</b>	Unit 1B Altbarn Hawkins Road Colchester Essex CO2 8LG
<b>Independent auditors</b>	MHA MacIntyre Hudson Statutory Auditor Building 4, Foundation Park Roxborough Way Maidenhead SL6 3UD

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**ASSEMBUILD TOPCO LIMITED**

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## ASSEMBUILD TOPCO LIMITED

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### GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### Introduction

The directors present their strategic report for the year ended 31 December 2021.

#### Business review

*AssemBuild was incorporated in February 2021 and on March 1st 2021 acquired PBSL Group Limited (specialist builders merchant) and Securi-Flex Limited (specialist cable distributor). Future growth will predominantly be organic, but the Directors will also seek to acquire other businesses that would add value and further growth opportunities to the group.*

The principal activities of the Group are the sale and distribution of specialist building products to customers across the UK via our online channels and a network of trade counters and wholesalers.

During the year, management has developed a new group structure and have heavily invested in the subsidiaries during the year.

PBSL Group Limited, one of the major trading subsidiaries within the group, achieved revenue growth in 2021 of 14% resulting in full year revenues of £15m. As with all of the sector in building materials the business contended with multiple price increases during the year, coupled with difficulty in acquiring stock due to raw material shortages, to combat the impacts of these the business continued to invest in stock levels which proved to be a successful strategy.

Securi-Flex Limited, the other major trading subsidiary, reached turnover figures of over £11 million in the 7 months from June to December, as post acquisition and the merger of Direct Cable Supplies Limited, the year end was normalised to Jan-Dec in line with PBSL and Group.

The business is focussed on centralising certain core functions e.g. finance and marketing including the creating a leadership team for the group and subsidiaries. The other priority is a focus on developing our workforce, IT systems and building ever stronger relationships with our supply chain both in the UK and overseas.

Measuring profit before tax shows an underlying level in 2021 of £2.20m.

This information is included in the consolidated financial statements of AssemBuild Topco Limited as at 31 December 2021 and these financial statements may be obtained from Companies House.

#### Principal risks and uncertainties

Uncertainties arising from ongoing price inflation, volatility in £/\$ and £/€ foreign exchange, softening market conditions, shortages in raw materials and lower levels of consumer confidence, which are being experienced across multiple industries including that in the building materials sector. To address these the business is continuing to invest in stock holdings, as well as focusing on new product categories and new channels to market. Competitive activity from both online and traditional merchants continues to be a risk and is continually monitored to ascertain pricing and marketing strategies, as well as changes to product strategy.

#### Financial key performance indicators

The business monitors the financial performance of both subsidiaries on a daily, weekly and monthly basis to manage the underlying levels of profitability, return on investment, funds generation, and credit risk, as well as a number of underlying metrics including customer acquisition and retention levels.

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**ASSEMBUILD TOPCO LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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



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**D Perry**  
Director

Date: 16-12-22

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## ASSEMBUILD TOPCO LIMITED

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### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

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The directors present their report and the financial statements for the period ended 31 December 2021.

#### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Results and dividends

The profit for the period, after taxation and minority interests, amounted to £495,181.

No dividends were declared during the period.

#### Directors

The directors who served during the period were:

J W J Bennett (appointed 17 February 2021)  
M T J Orchard (appointed 1 March 2021)  
D Perry (appointed 12 April 2021)  
G D Dixon (appointed 1 March 2021)  
L M Yell (appointed 1 March 2021)

#### Future developments

The business continues to focus on strong measures to control overheads which allows ongoing targeted investment in both its online and trade counter channels; there is also a focus on developing our workforce and building ever stronger relationships with our supplier base both in the UK and overseas.

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**ASSEMBUILD TOPCO LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Post balance sheet events**

Subsequent to year end, the company has allotted 30,000 C ordinary shares to the value of £224,800 at par value.

**Auditors**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....  
**D Perry**  
Director

Date: 16-12-22

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## ASSEMBUILD TOPCO LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASSEMBUILD TOPCO LIMITED

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#### Opinion

We have audited the financial statements of AssemBuild Topco Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



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## ASSEMBUILD TOPCO LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASSEMBUILD TOPCO LIMITED (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

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

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

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## **ASSEMBUILD TOPCO LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASSEMBUILD TOPCO LIMITED (CONTINUED)**

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#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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 Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of company staff in finance and compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Review minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**ASSEMBUILD TOPCO LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASSEMBUILD TOPCO LIMITED  
(CONTINUED)**

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**Use of our report**

This report is made solely to the Company's directors, 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 directors those matters we are required to state to them in an Auditors' 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 directors, as a body, for our audit work, for this report, or for the opinions we have formed.



JUSTIN MOSS MA ACA (Senior Statutory Auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Statutory Auditor

Maidenhead

United Kingdom

Date: 16 December 2022

**ASSEMBUILD TOPCO LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Note	Period ended 31 December 2021 £
Turnover	4	29,445,985
Cost of sales		(20,778,636)
<b>Gross profit</b>		<b>8,667,349</b>
Administrative expenses		(5,839,121)
Other operating income	5	47,600
<b>Operating profit</b>	6	<b>2,875,828</b>
Interest receivable and similar income		18
Interest payable and similar expenses	9	(1,748,322)
<b>Profit before taxation</b>		<b>1,127,524</b>
Tax on profit	10	(465,083)
<b>Profit for the financial period</b>		<b>662,441</b>
<b>Total comprehensive income for the period</b>		<b>662,441</b>
<b>Profit for the period attributable to:</b>		
Non-controlling interests		167,260
Owners of the parent Company		495,181
		<b>662,441</b>
<b>Total comprehensive income for the period attributable to:</b>		
Non-controlling interest		167,260
Owners of the parent Company		495,181
		<b>662,441</b>

The notes on pages 18 to 42 form part of these financial statements.

**ASSEMBUILD TOPCO LIMITED**  
**REGISTERED NUMBER: 13207964**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	Period ended 31 December 2021 £
<b>Fixed assets</b>		
Intangible assets	11	12,233,512
Tangible assets	12	392,078
		<u>12,625,590</u>
<b>Current assets</b>		
Stocks	14	8,037,803
Debtors: amounts falling due within one year	15	5,067,547
Cash at bank and in hand	16	619,710
		<u>13,725,060</u>
Creditors: amounts falling due within one year	17	<u>(9,413,974)</u>
<b>Net current assets</b>		<u>4,311,086</u>
<b>Total assets less current liabilities</b>		<u>16,936,676</u>
Creditors: amounts falling due after more than one year	18	(16,230,486)
<b>Provisions for liabilities</b>		
Deferred taxation		(42,749)
		<u>(42,749)</u>
<b>Net assets</b>		<u><u>663,441</u></u>
<b>Capital and reserves</b>		
Called up share capital	21	1,000
Profit and loss account		495,181
		<u>496,181</u>
<b>Equity attributable to owners of the parent Company</b>		<u>496,181</u>
Non-controlling interests		167,260
		<u><u>663,441</u></u>

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**ASSEMBUILD TOPCO LIMITED**  
**REGISTERED NUMBER: 13207964**

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



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**D Perry**  
Director

Date: 16-12-22


The notes on pages 18 to 42 form part of these financial statements.

**ASSEMBUILD TOPCO LIMITED**  
**REGISTERED NUMBER: 13207964**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	Period ended 31 December 2021 £
<b>Fixed assets</b>		
Investments	13	1
		<u>1</u>
<b>Current assets</b>		
Debtors: amounts falling due within one year	15	2,659,197
		<u>2,659,197</u>
Creditors: amounts falling due within one year	17	(76,348)
		<u>(76,348)</u>
<b>Net current assets</b>		<u>2,582,849</u>
<b>Total assets less current liabilities</b>		<u>2,582,850</u>
Creditors: amounts falling due after more than one year	18	(2,730,485)
		<u>(2,730,485)</u>
<b>Net (liabilities)/assets</b>		<u><u>(147,635)</u></u>
<b>Capital and reserves</b>		
Called up share capital	21	1,000
Loss for the period		(148,635)
Profit and loss account carried forward		(148,635)
		<u><u>(147,635)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**D Perry**  
 Director

Date: 16-12-22

The notes on pages 18 to 42 form part of these financial statements.

**ASSEMBUILD TOPCO LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
<b>Comprehensive income for the period</b>					
Profit for the period	-	495,181	495,181	167,260	662,441
<b>Other comprehensive income for the period</b>	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	495,181	495,181	167,260	662,441
Shares issued during the period	1,000	-	1,000	-	1,000
<b>Total transactions with owners</b>	1,000	-	1,000	-	1,000
<b>At 31 December 2021</b>	1,000	495,181	496,181	167,260	663,441

The notes on pages 18 to 42 form part of these financial statements.



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**ASSEMBUILD TOPCO LIMITED**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>Comprehensive income for the period</b>			
Loss for the period	-	(148,635)	(148,635)
	<hr/>	<hr/>	<hr/>
<b>Other comprehensive income for the period</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the period</b>	-	(148,635)	(148,635)
	<hr/>	<hr/>	<hr/>
<b>Contributions by and distributions to owners</b>			
Shares issued during the period	1,000	-	1,000
	<hr/>	<hr/>	<hr/>
<b>Total transactions with owners</b>	1,000	-	1,000
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2021</b>	1,000	(148,635)	(147,635)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 42 form part of these financial statements.

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ASSEMBUILD TOPCO LIMITED

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CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

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	Period ended 31 December 2021 £
<b>Cash flows from operating activities</b>	
Profit for the financial period	662,441
<b>Adjustments for:</b>	
Amortisation of intangible assets	1,130,130
Depreciation of tangible assets	108,931
Profit on disposal of tangible assets	(53,288)
Interest paid	1,516,332
Interest received	(18)
Taxation charge	465,083
Increase in stocks	(8,037,803)
Increase debtors	(5,067,548)
Increase in creditors	9,105,569
Corporation tax paid	(422,334)
<b>Net cash used in operating activities</b>	<b>(592,505)</b>
<b>Cash flows from investing activities</b>	
Purchase of tangible fixed assets	(196,918)
Proceeds on sale of tangible fixed assets	119,800
Acquisition of subsidiaries, net of cash	(12,996,256)
Interest received	18
<b>Net cash used in investing activities</b>	<b>(13,073,356)</b>

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ASSEMBUILD TOPCO LIMITED

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2021

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	2021 £
<b>Cash flows from financing activities</b>	
Issue of ordinary shares	1,000
Loans received from shareholders	2,299,000
Loans received from other financial institutions	13,500,000
Expenses paid in connection with loans received	(543,665)
Interest paid	(970,764)
<b>Net cash from financing activities</b>	<b>14,285,571</b>
<b>Net increase in cash and cash equivalents</b>	<b>619,710</b>
<b>Cash and cash equivalents at the end of period</b>	<b>619,710</b>
<b>Cash and cash equivalents at the end of period comprise:</b>	
Cash at bank and in hand	619,710
	<b>619,710</b>

The notes on pages 18 to 42 form part of these financial statements.

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**ASSEMBUILD TOPCO LIMITED**

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**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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	Cash flows £	Loans received £	At 31 December 2021 £
Cash at bank and in hand	619,710	-	619,710
Debt due after 1 year	-	(16,230,486)	(16,230,486)
Debt due within 1 year	-	(342,622)	(342,622)
Finance leases	-	(36,456)	(36,456)
	<u>619,710</u>	<u>(16,609,564)</u>	<u>(15,989,854)</u>

The notes on pages 18 to 42 form part of these financial statements.

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### 1. General information

AssemBuild Topco Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1B Albarn, Hawkins Road, Colchester, Essex, CO2 8LGW.

The principal activity of the company during the year was that of investment holding.

For principal activities of the subsidiaries within the group, please refer to note 14.

The company was incorporated on 1 March 2021.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional and presentational currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 March 2021.

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

##### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

##### 2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.8 Finance costs

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

##### 2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### 2.10 Pensions

###### Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 values 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 balance sheet date.

### 2.12 Intangible assets

#### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 10 years.

#### Other intangible assets

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.



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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.13 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 2-10 years
Motor vehicles	- 3-4 years
Fixtures and fittings	- 3-15 years
Office equipment	- 1-5 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.15 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### 2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### 2.20 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate

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## ASSEMBUILD TOPCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.20 Financial instruments (continued)

for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 3. Judgments in applying accounting policies 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 amount 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 the estimates.

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 actual revision affects only that period, or in the period of the revision and future periods where the revision affects both the current and future periods.

##### Critical accounting estimates and assumptions

The critical judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

##### *(i) Assessing indicators of impairment*

In assessing whether there have been any indicators of impaired assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

##### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### *(ii) Fixed assets*

Critical accounting estimates and assumptions include depreciation and useful economic life.

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	Period ended 31 December 2021 £
Sale of goods	<u>29,445,985</u>

Analysis of turnover by country of destination:

	Period ended 31 December 2021 £
United Kingdom	<u>29,445,985</u>

**5. Other operating income**

	Period ended 31 December 2021 £
Government grants receivable	47,600
	<u>47,600</u>

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**6. Operating profit**

The operating profit is stated after charging:

	Period ended 31 December 2021 £
Exchange differences	4,609
Other operating lease rentals	231,238
Depreciation of fixed assets	108,931
Amortisation of goodwill	1,130,130
Profit on disposal of fixed assets	(53,228)
Fees payable for the audit of the company and its subsidiaries	33,000
Fees payable to auditors for tax compliance services	8,600
Fees payable to auditors for other services	20,150
	<u>20,150</u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	Group Period ended 31 December £	Group 2021 £	Company Period ended 31 December £	Company 2021 £
Wages and salaries	2,409,433	-	-	-
Social security costs	251,477	-	-	-
Cost of defined contribution scheme	47,301	-	-	-
	<u>2,708,211</u>	<u>-</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 31 December 2021 No.
Directors	5
Administration and general staff	91
	<u>96</u>

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**8. Directors' remuneration**

	2021 £
Directors' emoluments	122,458
Group contributions to defined contribution pension schemes	2,795
	<u>125,253</u>

During the period retirement benefits were accruing to 2 directors in respect of defined contribution pension schemes.

**9. Interest payable and similar expenses**

	Period ended 31 December 2021 £
Loan from other financial institution	1,316,837
Loans from shareholders	431,485
	<u>1,748,322</u>

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**10. Taxation**

	Period ended 31 December 2021 £
<b>Corporation tax</b>	
Current tax on profits for the year	465,083
<b>Total current tax</b>	<u>465,083</u>

**Factors affecting tax charge for the period**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Period ended 31 December 2021 £
Profit on ordinary activities before tax	1,127,524
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	214,230
<b>Effects of:</b>	
Non-tax deductible amortisation of goodwill and impairment	214,724
Non-deductible expenses	81,877
Changes in provisions leading to an increase in the tax charge	208
Fixed asset difference	(45,956)
<b>Total tax charge for the period</b>	<u>465,083</u>

**Factors that may affect future tax charges**

Group relief is available between all members of the Group.

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of UK corporation tax from 19% to 25%, effective from 1 April 2023. Deferred taxes on the balance sheet have been measured at 25% which represents the future corporation tax rate that was enacted at the balance sheet date.

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**11. Intangible assets**

**Group**

	<b>Goodwill £</b>
<b>Cost</b>	
Additions	<b>13,363,642</b>
At 31 December 2021	<b>13,363,642</b>
<b>Amortisation</b>	
Charge for the period on owned assets	<b>1,130,130</b>
At 31 December 2021	<b>1,130,130</b>
<b>Net book value</b>	
At 31 December 2021	<b>12,233,512</b>



**ASSEMBUILD TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

**12. Tangible fixed assets**

**Group**

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
Additions	100,855	69,925	9,354	16,784	196,918
Acquisition of subsidiary	122,256	102,333	125,853	20,161	370,603
Disposals	(54,085)	(60,157)	(433)	-	(114,675)
At 31 December 2021	169,026	112,101	134,774	36,945	452,846
<b>Depreciation</b>					
Charge for the period on owned assets	37,823	35,407	17,876	17,825	108,931
Disposals	(19,001)	(29,162)	-	-	(48,163)
At 31 December 2021	18,822	6,245	17,876	17,825	60,768
<b>Net book value</b>					
At 31 December 2021	150,204	105,856	116,898	19,120	392,078

**13. Fixed asset investments**

**Company**

	Investments in subsidiary companies £
<b>Cost</b>	
Additions	1
At 31 December 2021	1

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**13. Fixed asset investments (continued)****Direct subsidiary undertaking**

The following was a direct subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
AssemBuild Midco Limited	England and Wales	Investment holding	Ordinary	100%

**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
AssemBuild Group Limited	England and Wales	Investment holding	Ordinary	100%
PBSL Midco Limited*	England and Wales	Investment holding	Ordinary	90%
PBSL Bidco Limited*	England and Wales	Investment holding	Ordinary	90%
PBSL Group Limited*	England and Wales	Building materials supply	Ordinary	90%
Drainage Sales Limited*	England and Wales	Building materials supply	Ordinary	90%
Danlett Holdings Limited*	England and Wales	Investment holding	Ordinary	90%
PVC Cladding Limited*	England and Wales	Dormant company	Ordinary	90%
Gutter supplies Limited*	England and Wales	Dormant company	Ordinary	90%
SFX Midco Limited*	England and Wales	Investment holding	Ordinary	90%
SFX Bidco Limited*	England and Wales	Investment holding	Ordinary	90%
Securi-flex Limited*	England and Wales	Building materials supply	Ordinary	90%
SFX Cables Limited*	England and Wales	Dormant company	Ordinary	90%
Direct Cable Supplies Limited*	England and Wales	Building materials supply	Ordinary	90%

The following subsidiaries are exempt from the requirements relating to the audit of financial statements under section 479A of the Companies Act 2006:

AssemBuild Midco Limited  
AssemBuild Group Limited  
PBSL Midco Limited  
PBSL Bidco Limited  
SFX Midco Limited  
SFX Bidco Limited  
Direct Cable Supplies Limited

\* The rates above represent the effective interest holding.

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**14. Stocks**

	<b>Group 2021 £</b>
Raw materials and consumables	6,859,517
Finished goods and goods for resale	1,178,286
	<u>8,037,803</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**15. Debtors**

	<b>Group 2021 £</b>	<b>Company 2021 £</b>
Trade debtors	4,130,181	-
Amounts owed by group undertakings	-	2,659,197
Other debtors	258,774	-
Prepayments and accrued income	678,592	-
	<u>5,067,547</u>	<u>2,659,197</u>

**16. Cash and cash equivalents**

	<b>Group 2021 £</b>
Cash at bank and in hand	619,710

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**17. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	<b>Company 2021 £</b>
Bank loans	342,622	-
Trade creditors	3,208,544	-
Amounts owed to group undertakings	-	66,348
Corporation tax	687,081	-
Other taxation and social security	432,534	-
Obligations under finance lease and hire purchase contracts	36,456	-
Other creditors	3,890,795	-
Accruals and deferred income	815,942	10,000
	<u>9,413,974</u>	<u>76,348</u>

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2021 £</b>	<b>Company 2021 £</b>
Loan from financial institution	13,500,000	-
Shareholder loans	2,730,486	2,730,485
	<u>16,230,486</u>	<u>2,730,485</u>

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ASSEMBUILD TOPCO LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

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19. Loans

	Group 2021 £	Company 2021 £
<b>Amounts falling due within one year</b>		
Loan from financial institution	342,622	-
<b>Amounts falling due 2-5 years</b>		
Loan from financial institution	13,500,000	-
Shareholder loans	628,872	628,871
<b>Amounts falling due after more than 5 years</b>		
Shareholder loans	2,101,614	2,101,614
	<u>16,573,108</u>	<u>2,730,485</u>

***Other financial institution***

The loan bears interest compounded daily at a rate of 11% plus LIBOR. These interest amounts are payable quarterly.

The final repayment date is the 5th anniversary of the first utilisation date in February 2026.

***Shareholder loans stock***

The loans bear interest at a rate of 10% per annum which are payable quarterly.

The final repayment dates of the above mentioned loans follow:

- £1,449,335 (A1 Loan Stock) is repayable in February 2027,
- £499,800 (A2 Loan Stock) is repayable in August 2026, and
- £349,845 (B Loan Stock) is repayable in February 2027.

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**20. Deferred taxation**

**Group**

	2021 £
Acquired on business combination	(42,749)
<b>At end of year</b>	<b>(42,749)</b>
	<b>Group 2021 £</b>
Accelerated capital allowances	(42,749)
	<b>(42,749)</b>

**21. Share capital**

	2021 £
<b>Allotted, called up and fully paid</b>	
645,000 A1 ordinary shares of £0.001 each	645
200,000 A2 ordinary shares of £0.001 each	200
155,000 B ordinary shares of £0.001 each	155
	<b>1,000</b>

A1 and B shares are entitled to one vote each. A2 shares as a class are entitled to 20% of the voting rights of all shares in issue, allocated on a prorata basis between A2 shareholders. The A1 and A2 shares have a preferential right to payment of a dividend ahead of the B shares in the event that a dividend is declared.

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**22. Business combinations**

During the current financial year, PBSL Bidco Limited purchased a 100% stake holding in PBSL Group Limited and its subsidiaries.

The group acquired included PBSL Group Limited, Danlett Holdings Limited and Danlett Limited.

Furthermore, SFX Bidco Limited purchased a 100% stake holding in Securi-Flex Limited and a 100% stake in Direct Cables Supplies Limited during the year.

These acquisitions constituted the three material acquisitions during the year.

Details of the acquisitions follows.

**Acquisition of PBSL Group Limited and its subsidiaries.**

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
<b>Fixed Assets</b>		
Tangible	1,209,854	1,209,854
Intangible	703,492	703,492
	<u>1,913,346</u>	<u>1,913,346</u>
<b>Current Assets</b>		
Stocks	857,950	857,950
Debtors	3,090,168	3,090,168
Cash at bank and in hand	923,500	923,500
	<u>6,784,964</u>	<u>6,784,964</u>
<b>Total Assets</b>	<u>6,784,964</u>	<u>6,784,964</u>
<b>Creditors</b>		
Due within one year	(2,175,465)	(2,175,465)
Deferred taxation	(49,688)	(49,688)
	<u>4,559,811</u>	<u>4,559,811</u>
<b>Total Identifiable net assets</b>	<u>4,559,811</u>	<u>4,559,811</u>
Goodwill		7,556,651
<b>Total purchase consideration</b>		<u>12,116,462</u>

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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**22. Business combinations (continued)**

**Consideration**

	£
<i>Based amount</i>	5,750,000
Property consideration	1,108,800
Deferred consideration	2,250,000
Estimated cash less debts and working capital	2,681,849
Directly attributable costs	325,813
<b>Total purchase consideration</b>	<b>12,116,462</b>

**Cash outflow on acquisition**

	£
Purchase consideration settled in cash, as above	5,750,000
Directly attributable costs	325,813
	<u>6,075,813</u>
Less: Cash and cash equivalents acquired	(923,500)
<b>Net cash outflow on acquisition</b>	<b>5,152,313</b>

The results of PBSL Group Limited and its subsidiaries, since acquisition are as follows:

	Current period since acquisition £
<i>Turnover</i>	<u>12,947,566</u>
Profit for the period since acquisition	<u>1,531,024</u>



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**ASSEMBUILD TOPCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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**22. Business combinations (continued)**

**Acquisition of Securi-flex Limited**

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
<b>Fixed Assets</b>		
Tangible	266,606	266,606
	<u>266,606</u>	<u>266,606</u>
<b>Current Assets</b>		
Stocks	3,013,114	3,013,114
Debtors	4,903,560	4,903,560
Cash at bank and in hand	1,300,375	1,300,375
	<u>9,483,655</u>	<u>9,483,655</u>
<b>Total Assets</b>		
<b>Creditors</b>		
Due within one year	(1,239,408)	(1,239,408)
Deferred taxation	(5,356)	(5,356)
	<u>8,238,891</u>	<u>8,238,891</u>
<b>Total identifiable net assets</b>		
		<u>4,730,246</u>
<b>Total purchase consideration</b>		<u>12,969,137</u>
<b>Consideration</b>		
		£
Base amount		7,500,000
Property consideration		295,000
Deferred consideration		1,700,000
Estimated cash less debts and working capital		3,010,000
Directly attributable costs		464,137
		<u>12,969,137</u>
<b>Total purchase consideration</b>		<u>12,969,137</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Business combinations (continued)**

**Cash outflow on acquisition**

	<b>£</b>
Purchase consideration settled in cash, as above	<b>7,500,000</b>
Directly attributable costs	<b>464,137</b>
	<b>7,964,137</b>
Less: Cash and cash equivalents acquired	<b>(1,300,375)</b>
<b>Net cash outflow on acquisition</b>	<b>6,663,762</b>

The results of Securi-flex Limited since acquisition are as follows:

	<b>Current period since acquisition £</b>
Turnover	<b>16,498,419</b>
Profit for the period since acquisition	<b>1,782,743</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Business combinations (continued)**

**Acquisition of Direct Cable Supplies Limited**

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value £
<b>Fixed Assets</b>		
Tangible	38,238	38,238
	<u>38,238</u>	<u>38,238</u>
<b>Current Assets</b>		
Stocks	897,923	897,923
Debtors	901,799	901,799
Cash at bank and in hand	322,649	322,649
	<u>2,160,609</u>	<u>2,160,609</u>
<b>Total Assets</b>		
<b>Creditors</b>		
Due within one year	(785,687)	(785,687)
Deferred taxation	(10,330)	(10,330)
	<u>1,364,592</u>	<u>1,364,592</u>
<b>Total Identifiable net assets</b>		
	<u>1,364,592</u>	<u>1,364,592</u>
Goodwill		435,408
<b>Total purchase consideration</b>		<u>1,800,000</u>
<b>Consideration</b>		
		£
Base amount		1,500,000
Deferred consideration		300,000
<b>Total purchase consideration</b>		<u>1,800,000</u>

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**ASSEMBUILD TOPCO LIMITED**

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**22. Business combinations (continued)**

**Cash outflow on acquisition**

	£
Purchase consideration settled in cash, as above	1,500,000
	<u>1,500,000</u>
Less: Cash and cash equivalents acquired	(322,649)
<b>Net cash outflow on acquisition</b>	<b><u>1,177,351</u></b>

The results of Direct Cable Supplies Limited since acquisition are as follows:

	<b>Current period since acquisition £</b>
(Loss) for the period since acquisition	<b><u>(4,494)</u></b>

**23. Contingent liabilities**

Glas Trust Corporation Limited has a fixed and floating charge over the assets of the subsidiary containing a negative pledge.

**24. Pension commitments**

The Group operates a defined contributions pension scheme. The Group pays fixed contributions into an independently administered entity. The pension cost charge represents contributions payable by the Group to the fund and amounted to £47,301. Contributions totalling £13,425 were payable to the fund at the balance sheet date.

**25. Commitments under operating leases**

At 31 December 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2021 £</b>
Not later than 1 year	236,788
Later than 1 year and not later than 5 years	948,195
Later than 5 years	104,167
	<b><u>1,289,150</u></b>

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**26. Related party transactions**

The company has taken advantage of the exemptions conferred by FRS 102 paragraph 33.1A, not to disclose transactions with group entities on the basis that it prepares consolidated financial statements.

Group transactions in the year and balances at the year end with respect to other related parties follow:

	2021 £
Management fees paid to shareholders	(250,466)
Loan received from shareholders	2,299,000
Loan received from related financial institution	13,500,000
Interest to shareholders	(199,495)
Interest to financial institution	(1,316,837)
<b>Net movement of related party transactions and balances</b>	<b>14,032,202</b>

**27. Post Balance Sheet Event**

Subsequent to year end, the company has allotted 30,000 C ordinary shares to the value of £224,800 at par value.

**28. Controlling party**

The directors consider that there is no ultimate controlling party.