
SFX BIDCO LIMITED

UNAUDITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021



SFX BIDCO LIMITED

COMPANY INFORMATION

Directors J W J Bennett (appointed 19 February 2021)
M T J Orchard (appointed 1 March 2021)
D Perry (appointed 12 April 2021)
G D Dixon (appointed 1 March 2021)

Registered number 13214300

Registered office Unit 1B Altbarn
Hawkins Road
Colchester
Essex
CO2 8LG

Accountants MHA MacIntyre Hudson
Building 4, Foundation Park
Roxborough Way
Maidenhead
SL6 3UD

SFX BIDCO LIMITED

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SFX BIDCO LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

Introduction

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

Business review

AssemBuild was incorporated in February 2021 and on 1 March 2021 acquired 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.

Securi-Flex Limited, the other major trading subsidiary, reached turnover figures of over £11 million in the 7 months from June to December, 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 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 £2.2m.

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.

SFX BIDCO LIMITED

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

Financial key performance indicators

The business monitors the financial performance of its trade counter operations and online activities by channel 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 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 levels.

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



.....
D Perry
Director

Date: 16-12-22

SFX BIDCO LIMITED

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

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 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 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 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 for the Company'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 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 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 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, amounted to £1,244,321.

No dividends were declared during the period.

Directors

The directors who served during the period were:

J W J Bennett (appointed 19 February 2021)
M T J Orchard (appointed 1 March 2021)
D Perry (appointed 12 April 2021)
G D Dixon (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.

SFX BIDCO LIMITED

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

Post balance sheet events

There have been no significant events affecting the Company since the period end.

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



.....
D Perry
Director

Date: 16-12-22

SFX BIDCO LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF SFX BIDCO LIMITED
FOR THE PERIOD ENDED 31 DECEMBER 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of SFX Bidco Limited for the period ended 31 December 2021 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of SFX Bidco Limited, as a body, in accordance with the terms of our engagement letter dated 25 November 2022. Our work has been undertaken solely to prepare for your approval the financial statements of SFX Bidco Limited and state those matters that we have agreed to state to the Board of Directors of SFX Bidco Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than SFX Bidco Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that SFX Bidco Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of SFX Bidco Limited. You consider that SFX Bidco Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or review of the financial statements of SFX Bidco Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



MHA MacIntyre Hudson

Chartered Accountants
Maidenhead, United Kingdom
Date: 16 December 2022

SFX BIDCO LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Note	2021 £
Turnover	3	2,105,000
Gross profit		<u>2,105,000</u>
Administrative expenses		(56,788)
Operating profit		<u>2,048,212</u>
Interest payable and similar expenses		(1,005,779)
Profit before tax		<u>1,042,433</u>
Tax on profit		201,888
Profit after tax		<u><u>1,244,321</u></u>
 Profit for the period		 <u>1,244,321</u>
Retained earnings at the end of the period		<u><u>1,244,321</u></u>

SFX BIDCO LIMITED
REGISTERED NUMBER: 13214300

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £
Fixed assets		
Investments	7	14,769,137
		<u>14,769,137</u>
Current assets		
Debtors: amounts falling due within one year	8	201,888
		<u>201,888</u>
Creditors: amounts falling due within one year	9	(13,726,703)
Net current (liabilities)/assets		<u>(13,524,815)</u>
Total assets less current liabilities		<u>1,244,322</u>
Net assets		<u><u>1,244,322</u></u>
Capital and reserves		
Called up share capital	10	1
Profit and loss account		1,244,321
		<u><u>1,244,322</u></u>

The directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 8 to 14 form part of these financial statements.

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

1. General information

SFX Bidco Limited (the "Company") is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1B Albarn, Hawkins Road, Colchester, Essex, CO2 8LG.

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

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

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.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

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

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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.

2.5 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.

2.6 Taxation

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 operates and generates income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

2.10 Financial instruments

The Company 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

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

2. Accounting policies (continued)**2.10 Financial instruments (continued)**

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 Statement of Income and Retained Earnings.

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 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 Company 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. Turnover

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

	Period ended 31 December 2021 £
Dividend received	2,105,000

Analysis of turnover by country of destination:

	Period ended 31 December 2021 £
United Kingdom	2,105,000

SFX BIDCO LIMITED

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

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration.

5. Interest payable and similar expenses

	Period ended 31 December 2021 £
Loans from group undertakings	1,005,779
	<u>1,005,779</u>

6. Taxation

	Period ended 31 December 2021 £
Group taxation relief	(201,888)
	<u>(201,888)</u>
Total current tax	<u>(201,888)</u>

SFX BIDCO LIMITED

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

6. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is the same as the standard rate of corporation tax in the UK of 19% as set out below:

	2021 £
Profit on ordinary activities before tax	1,042,433
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	198,062
Effects of:	
Non-taxable income	(399,950)
Total tax charge for the period	(201,888)

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.

7. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2021	-
Additions	14,769,137
At 31 December 2021	14,769,137

SFX BIDCO LIMITED

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

7. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Securi-Flex Limited *	England and Wales	Building materials supply	Ordinary	100%
SFX Cables Limited **	England and Wales	Building materials supply	Ordinary	100%
Direct Cable Supplies Limited *	England and Wales	Dormant company	Ordinary	100%

* denotes directly held subsidiaries.

** denotes indirectly held subsidiaries.

8. Debtors

	2021 £
Amounts owed by group undertakings	201,888
	201,888

The loans bear interest at a rate of 12.5% per annum which are payable on demand.

9. Creditors: Amounts falling due within one year

	2021 £
Amounts owed to group undertakings	11,731,619
Accruals	1,995,084
	13,726,703

The loans bear interest at a rate of 12.5% per annum. The capital and interest accrual amounts are payable on demand.

SFX BIDCO LIMITED

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

10. Share capital

	2021
	£
Allotted, called up and fully paid	
1,000 Ordinary shares of £0.001 each	1

The shares above were issued at par and paid for during this reporting period.

11. Related party transactions

The Company has taken advantage of the exemption in paragraph 1AC.35 of FRS 102 not to disclose transactions with wholly owned group entities.

12. Controlling party

The directors considered the immediate and ultimate parent company to be AssemBuild Topco Limited, a company registered in England and Wales. AssemBuild Topco Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2021. A copy of the consolidated financial statements of AssemBuild Topco Limited can be obtained from Companies House