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PVH Holdings Limited

FINANCIAL STATEMENTS

for the year ended

31 May 2014

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COMPANIES HOUSE

PVH Holdings Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A B G Van Huet
S D Pearson
J S Pearson

REGISTERED OFFICE

Howdenshire Way
Knedlington Road
Howden
Goole
Yorkshire
DN14 7HZ

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
2 Whitehall Quay
Leeds
West Yorkshire
LS1 4HG

PVH Holdings Limited

STRATEGIC REPORT

for the year ended 31 May 2014

REVIEW OF THE BUSINESS

The directors remain pleased with the continuing development of the company and its subsidiaries despite the challenges within the economy and intend to continue to grow the group in the coming year

The Group's turnover has increased from £10,857k to £14,819k - an increase of 36%

The sales have increased in this financial year as a result of the continued recovery of the UK housing sector and the demand for the product and services that the Group provides

There was a slight drop in the margin during the year as a result of increasing competitive pressures in the sector where the Group has had to manage fluctuations in the prices it is charged for raw materials and what it is able to pass on to its customers

The balance sheet remains strong with net current assets of £3,697,462

KEY PERFORMANCE INDICATORS

The following KPIs are used by management to review the performance of the business

- the level of margin achieved on the sale of its products
- the return on contracts entered into

Given the challenges that the business has faced over the year the directors are satisfied with the level of performance achieved in relation to these indicators

PRINCIPAL RISKS AND UNCERTAINTIES

As a supplier of services and products primarily to the residential construction sector the result of the business remains subject to the underlying performance of the sector which after a number of years of no growth is now showing signs of growth. The growth in demand for the Group's products and services will generate both challenges and opportunities for the business in terms of the availability of supply of the underlying materials at prices such that the business can continue to generate profitable returns on its activities. As much of the supply of materials in the brick business in particular is sourced from outside the UK, the Group also has to manage its exposure to currency fluctuations which it will do by forward buying where this is considered to be appropriate

STRATEGIC MATTERS

The board remain committed to supporting the continued growth of the business and is investing in the Group's infrastructure to ensure that the business continues to have the resources to meet the future challenges that the business will face. There are no immediate plans to change the nature or scope of activities that the Group undertakes

On behalf of the board



S D Pearson
Director

Date 20 March 2015

PVH Holdings Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of PVH Holdings Limited for the year ended 31 May 2014

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of property letting and the management of its subsidiaries. The principal activities of the companies within the group are roofing contractors and building materials suppliers.

RESULTS AND DIVIDENDS

The profit for the year after taxation, amounted to £681,415. Particulars of dividends paid are detailed in note 11 to the financial statements.

DIRECTORS

The directors who served the company during the year were as follows:

A B G Van Huet
S D Pearson
J S Pearson

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

Forrester Boyd resigned as auditor during the year.

Baker Tilly UK Audit LLP was appointed as auditor on 18 August 2014 and expressed their willingness to continue in office.

On behalf of the board



S D Pearson
Director

Date 20 March 2015

PVH Holdings Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PVH HOLDINGS LIMITED

We have audited the group and parent company financial statements ("the financial statements") on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 2014 and of the group's profit for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

Baker Tilly UK Audit LLP

ANDREW ALLCHIN (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

2 Whitehall Quay

Leeds

West Yorkshire

LS1 4HG

Date *23 March 2015*

PVH Holdings Limited
GROUP PROFIT AND LOSS ACCOUNT
for the year ended 31 May 2014

		2014	2013
	<i>Notes</i>	£	£
TURNOVER	2	14,818,752	10,857,383
Cost of sales		(12,137,438)	(8,769,254)
Gross profit		2,681,314	2,088,129
Distribution costs		(7,915)	(10,806)
Administrative expenses		(1,814,618)	(1,741,031)
Other operating income	3	121,614	280,295
OPERATING PROFIT	4	980,395	616,587
Investment income	7	15,934	—
Interest receivable		28,424	22,992
		1,024,753	639,579
Interest payable and similar charges	8	(8,270)	(7,990)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,016,483	631,589
Taxation	9	(229,900)	(159,637)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		786,583	471,952
Minority interests		(105,168)	(78,732)
PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY FOR THE FINANCIAL YEAR	10,24	681,415	393,220

The profit for the year arises from the group's continuing operations

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own profit and loss account

PVH Holdings Limited

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 May 2014

	2014 £	2013 £
Profit for the financial year attributable to the shareholders of the parent company	681,415	393,220
Unrealised surplus on revaluation of freehold property	122,914	—
Unrealised surplus on revaluation of listed investments	31,059	—
Total recognised gains and losses since the last financial statements	<u>835,388</u>	<u>393,220</u>

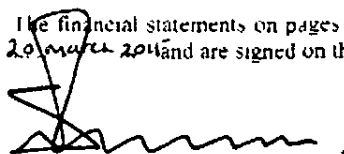
PVH Holdings Limited

GROUP BALANCE SHEET

31 May 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	12	854 656	747 026
Investment property	12	583 000	583 000
Investments	13	543 794	500 000
		<u>1 981 450</u>	<u>1 830 026</u>
CURRENT ASSETS			
Stocks	14	155 772	105 569
Debtors	15	3 068 602	2 111 477
Cash at bank and in hand		3 723 420	3 435 693
		<u>6 947 794</u>	<u>5 652 739</u>
CREDITORS			
Amounts falling due within one year	16	3,250 332	2 540 092
NET CURRENT ASSETS		<u>3 697 462</u>	<u>3 112 647</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5 678 912</u>	<u>4 942 673</u>
CREDITORS			
Amounts falling due after more than one year	17	18 572	
PROVISIONS FOR LIABILITIES AND CHARGES	19	2,654 034	2 397 974
		<u>3 006 306</u>	<u>2 544 699</u>
MINORITY INTERESTS	22	18,512	53,095
		<u>3 024 818</u>	<u>2 597 794</u>
CAPITAL AND RESERVES			
Called up share capital	23	8 000	8 000
Revaluation reserve	24	824 431	706 700
Profit and loss account	24	2 192 387	1 883 094
SHAREHOLDERS' FUNDS	25	<u>3 024 818</u>	<u>2 597 794</u>

The financial statements on pages 6 to 23 were approved by the board of directors and authorised for issue on 20 May 2014 and are signed on their behalf by



S D Pearson
Director

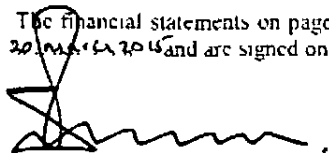
PVH Holdings Limited

BALANCE SHEET

31 May 2014

	Votes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	12	650 458	540 276
Investment property	12	583 000	582 000
Investments	13	143 032	149,157
		<u>1 376 490</u>	<u>1,272 433</u>
CURRENT ASSETS			
Debtors	15	2 385	4 206
CREDITORS			
Amounts falling due within one year	16	303,372	334 274
NET CURRENT LIABILITIES		<u>(300 987)</u>	<u>(330 068)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,075 503	942 365
PROVISIONS FOR LIABILITIES AND CHARGES	19	70 156	70 064
		<u>1 005 347</u>	<u>872 301</u>
CAPITAL AND RESERVES			
Called up share capital	23	8,000	8 000
Revaluation reserve	24	797,372	706 700
Profit and loss account	24	203 975	157 601
SHAREHOLDERS' FUNDS		<u>1,005 347</u>	<u>872 301</u>

The financial statements on pages 6 to 23 were approved by the board of directors and authorised for issue on 20 May 2014 and are signed on their behalf by



S D Pearson
Director

PVH Holdings Limited
GROUP CASH FLOW
for the year ended 31 May 2014

		2014	2013
	<i>Notes</i>	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		1,033,312	1,113,405
Returns on investments and servicing of finance	26 a	(42,210)	(72,333)
Taxation	26 a	(134,744)	(198,939)
Capital expenditure and financial investment	26 a	(50,608)	(532,123)
Equity dividends paid		(408,364)	(113,164)
CASH INFLOW BEFORE FINANCING		397,386	196,846
Financing	26 a	(23,647)	(184,360)
INCREASE IN CASH IN THE YEAR		373,739	12,486
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
		2014	2013
		£	£
Operating profit		980,395	616,587
Depreciation		84,386	87,290
Loss on disposal of fixed assets		6,399	11,580
(Increase)/decrease in stocks		(50,203)	898
Increase in debtors		(971,599)	(54,490)
Increase in creditors		724,559	451,540
Increase in provisions		259,375	-
Net cash inflow from operating activities		1,033,312	1,113,405
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
		2014	2013
		£	£
Increase in cash in the year		373,739	12,486
Net cash outflow from directors current account		5,731	171,500
Net cash outflow from bank loans		10,737	12,860
Cash outflow in respect of hire purchase		7,179	-
		397,386	196,846
New hire purchase agreement		(29,915)	-
Change in net funds	26 b	367,471	196,846
Net funds at the beginning of the year	26 b	3,459,101	3,262,255
Net funds at the end of the year	26 b	3,826,572	3,459,101

PVH Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards

GOING CONCERN

The accounts have been prepared on a going concern basis. Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers.

Turnover on long term contracts is recognised as the work is completed.

TANGIBLE FIXED ASSETS

Tangible fixed assets, excluding Freehold Property, are stated at cost, net of depreciation and any provision for impairment. Freehold Property is stated at market value.

Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost of each asset to its estimated residual value on a reducing balance basis over its expected useful life as follows:

Freehold Property	- 25% and 2% on cost
Plant and Machinery	- 25% on reducing balance
Fixtures and Fittings	- 25% on reducing balance
Motor Vehicles	- 25% on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable or as otherwise required by relevant accounting standards.

PVH Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

1 ACCOUNTING POLICIES *(continued)*

INVESTMENT PROPERTIES

Investment properties are revalued annually at their open market value in accordance with applicable accounting standards. The surplus or deficit on revaluation is transferred to a revaluation reserve except where the deficit reduces the property below its historical cost, in which case it is taken to the profit and loss account. No depreciation is provided on investment properties which is a departure from the requirement of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view.

INVESTMENTS

Investments in group undertakings are stated at cost in the company balance sheet. Listed investments are valued at the lower of cost and mid-market value at the balance sheet date.

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

DEFECT PROVISIONS

Provision is made for liabilities arising in respect of expected warranty and defect claims on warranties provided in conjunction with the sale of goods and services.

PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

PVH Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

1 ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

2 TURNOVER

The turnover and profit before tax are attributable to the principal activities of the group.

An analysis of turnover is given below.

	2014	2013
	£	£
United Kingdom	<u>14,818,752</u>	<u>10,857,383</u>

3 OTHER OPERATING INCOME

	2014	2013
	£	£
Rent receivable	76,584	53,225
Management charges receivable	45,030	227,070
	<u>121,614</u>	<u>280,295</u>

4 OPERATING PROFIT

Operating profit is stated after charging

	2014	2013
	£	£
Depreciation of owned fixed assets	77,158	86,756
Depreciation of assets held under hire purchase agreements	7,228	–
Loss on disposal of fixed assets	6,399	11,580
Auditor's remuneration for statutory audit	17,500	11,690
Auditor's remuneration for other services	7,400	8,496
Operating lease costs		
- Other	<u>99,685</u>	<u>240,149</u>

5 PARTICULARS OF EMPLOYEES

The average number of staff, including its directors, employed by the group during the financial year was

	2014	2013
	No	No
Number of administrative staff	<u>19</u>	<u>20</u>

The aggregate payroll costs of the above were

	2014	2013
	£	£
Wages and salaries	729,912	651,713
Social security costs	81,936	79,574
Other pension costs	228,099	140,066
	<u>1,039,947</u>	<u>871,353</u>

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2014	2013
	£	£
Remuneration receivable	122,410	265,089
Value of company pension contributions to money purchase schemes	179,282	127,019
	<u>301,692</u>	<u>392,108</u>

Remuneration of highest paid director

	2014	2013
	£	£
Total remuneration (excluding pension contributions)	<u>95,077</u>	<u>111,004</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2014	2013
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

7 INVESTMENT INCOME

	2014	2013
	£	£
Dividend income	8,221	—
Profit on disposal of investments	7,713	—
	<u>15,934</u>	<u>—</u>

8 INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
On bank loans and overdrafts	7,671	7,990
On finance leases	599	—
	<u>8,270</u>	<u>7,990</u>

9 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014	2013
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 22.67% (2013 – 22.67%)	233,215	153,290
Total current tax	<u>233,215</u>	<u>153,290</u>
Deferred tax		
Origination and reversal of timing differences (note 19)		
Capital allowances	(3,315)	6,347
Tax on profit on ordinary activities	<u>229,900</u>	<u>159,637</u>

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

9 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 22.67% (2013 – 22.67%), as explained below

	2014 £	2013 £
Profit on ordinary activities before taxation	1,016,483	631,589
Profit on ordinary activities by rate of tax	230,437	151,581
Effects of		
Expenses not deductible for tax purposes	1,753	16,861
Capital allowances for period in excess of depreciation	2,166	(6,248)
Tax chargeable at lower rates	(4,456)	(8,904)
Total current tax (note 9(a))	229,900	153,290

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would only become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £158,674 (2013 - £141,340). At present it is not envisaged that any tax will become payable in the foreseeable future.

10 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £418,496 (2013 - £120,196)

11 DIVIDENDS

Equity dividends

	2014 £	2013 £
Dividends on Ordinary A shares of £38.19 (2013 - £3.47) per share	137,500	12,500
Dividends on Ordinary B shares of £53.49 (2013 - £11.77) per share	192,580	42,380
Dividends on Ordinary C shares of £70.71 (2013 - £70.71) per share	28,284	28,284
Dividends on Ordinary D shares of £125.00 (2013 - £75.00) per share	50,000	30,000
	408,364	113,164

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

12 TANGIBLE FIXED ASSETS

Group	Freehold Property £	Investment Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation						
At 1 June 2013	643,500	583,000	60,773	15,167	397,348	1,699,788
Additions	—	—	—	—	80,301	80,301
Disposals	—	—	(3,356)	—	(27,660)	(31,016)
Revaluation	22,500	—	—	—	—	22,500
At 31 May 2014	<u>666,000</u>	<u>583,000</u>	<u>57,417</u>	<u>15,167</u>	<u>449,989</u>	<u>1,771,573</u>
Depreciation						
At 1 June 2013	103,862	—	42,121	13,025	210,754	369,762
Charge for the year	12,552	—	4,735	624	66,475	84,386
On disposals	—	—	(2,313)	—	(17,504)	(19,817)
Revaluation adjustment	(100,414)	—	—	—	—	(100,414)
At 31 May 2014	<u>16,000</u>	<u>—</u>	<u>44,543</u>	<u>13,649</u>	<u>259,725</u>	<u>333,917</u>
Net book value						
At 31 May 2014	<u>650,000</u>	<u>583,000</u>	<u>12,874</u>	<u>1,518</u>	<u>190,264</u>	<u>1,437,656</u>
At 31 May 2013	<u>539,638</u>	<u>583,000</u>	<u>18,652</u>	<u>2,142</u>	<u>186,594</u>	<u>1,330,026</u>

Investment properties, which are all freehold, were valued on an open market basis in April 2005 by Hunters Commercial LLP. The directors believe this represents the market value as at 31 May 2014. No depreciation is provided in respect of investment properties.

The valuation of freehold property was made by McBeath Property Consultancy Limited on 6 February 2015 on an existing use open market value basis. In accordance with the Statement of Assets Valuation Practice No 4 and its Guidance notes of the Royal Institution of Chartered Surveyors.

Freehold property includes land of £93,750 which is not depreciated.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

Historical cost	<u>567,410</u>
Depreciation	
At 1 June 2013	76,807
Charge for the year	5,909
At 31 May 2014	<u>82,716</u>
Net historical cost value	
At 31 May 2014	<u>484,694</u>
At 1 June 2013	<u>490,603</u>

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

12 TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements

Included within the net book value of £1,437,656 is £21,687 (2013 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £7,228 (2013 - £Nil)

Company	Freehold Property £	Investment Property £	Plant & Machinery £	Total £
Cost or valuation				
At 1 June 2013	627,500	583,000	5,076	1,215,576
Revaluation	22,500	—	—	22,500
At 31 May 2014	<u>650,000</u>	<u>583,000</u>	<u>5,076</u>	<u>1,238,076</u>
Depreciation				
At 1 June 2013	87,862	—	4,438	92,300
Charge for the year	12,552	—	180	12,732
Revaluation adjustment	(100,414)	—	—	(100,414)
At 31 May 2014	<u>—</u>	<u>—</u>	<u>4,618</u>	<u>4,618</u>
Net book value				
At 31 May 2014	<u>650,000</u>	<u>583,000</u>	<u>458</u>	<u>1,233,458</u>
At 31 May 2013	<u>539,638</u>	<u>583,000</u>	<u>638</u>	<u>1,123,276</u>

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

Historical cost	<u>567,410</u>
Depreciation	
At 1 June 2013	76,807
Charge for the year	5,909
At 31 May 2014	<u>82,716</u>
Net historical cost value	
At 31 May 2014	<u>584,694</u>
At 1 June 2013	<u>490,603</u>

PVH Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

13 INVESTMENTS

Group	Listed investments £
Cost or valuation	
At 1 June 2013	500,000
Additions	83,481
Disposals	(70,746)
Revaluations	31,059
At 31 May 2014	<u>543,794</u>
Net book value	
At 31 May 2014	<u>543,794</u>
At 31 May 2013	<u>500,000</u>

If the listed investments were to be sold at the above market value a potential tax liability of £6,212 (2013 - £nil) would be payable

Company	Shares in group undertakings £
Cost or valuation	
At 1 June 2013	149,157
Written off	(6,125)
At 31 May 2014	<u>143,032</u>
Net book value	
At 31 May 2014	<u>143,032</u>
At 31 May 2013	<u>149,157</u>

The company's investments at the balance sheet date in the share capital of companies include the following

Crest Brick Slate & Tile Limited

Nature of business The supply of building materials

Class of shares	% holding
Ordinary	100

Crest Roofing Limited

Nature of business Roofing Contractors

Class of shares	% holding
Ordinary	90

Crest Roofing Limited owns 80% of Crown Roofing (Centres) Limited and 85% of Excel Roofing Services Limited

Crest Unidek Limited

Nature of business Dormant

Class of shares	% holding
Ordinary	82

Crest Unidek Limited has taken the audit exemption available to it by virtue of s479A of CA06

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

14 STOCKS

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Goods for resale	<u>155,772</u>	<u>105,569</u>	<u>-</u>	<u>-</u>

15 DEBTORS

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Trade debtors	2,612,052	1,747,015	-	600
Other debtors	297,760	275,255	-	-
Prepayments and accrued income	158,790	89,207	2,385	3,606
	<u>3,068,602</u>	<u>2,111,477</u>	<u>2,385</u>	<u>4,206</u>

16 CREDITORS amounts falling due within one year

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Bank loans and overdrafts	-	96,749	63,713	99,217
Trade creditors	2,210,094	1,741,924	20,723	23,306
Amounts owed to group undertakings	-	-	78,882	84,925
Obligations under hire purchase agreements	4,164	-	-	-
Corporation tax	276,096	153,290	12,670	12,350
Other taxes and social security	262,756	137,897	18,908	13,463
Other creditors	29,586	135,951	45,636	51,318
Accruals and deferred income	467,636	274,281	62,840	49,695
	<u>3,250,332</u>	<u>2,540,092</u>	<u>303,372</u>	<u>334,274</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Bank loans and overdrafts	-	96,749	63,713	99,217
Obligations under hire purchase agreements	<u>4,164</u>	<u>-</u>	<u>-</u>	<u>-</u>

17 CREDITORS amounts falling due after more than one year

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Obligations under hire purchase agreements	<u>18,572</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>18,572</u>	<u>-</u>	<u>-</u>	<u>-</u>

The obligations under hire purchase are secured against the assets to which they relate

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

18 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2014	Group 2013	2014	Company 2013
	£	£	£	£
Amounts payable within 1 year	4,164	-	-	-
Amounts payable between 1 and 2 years	18,572	-	-	-
	<u>22,736</u>	<u>-</u>	<u>-</u>	<u>-</u>

19 PROVISIONS FOR LIABILITIES AND CHARGES

Group	Defect provisions £	Other provisions £	Deferred taxation £	Total £
Balance brought forward	2,315,935	70,064	11,975	2,397,974
Profit and loss movement in the year	259,375	-	(3,315)	256,060
Balance carried forward	<u>2,575,310</u>	<u>70,064</u>	<u>8,660</u>	<u>2,654,034</u>

A provision of £2,575,310 has been recognised for expected defect claims on goods and services sold during the last ten years

A provision of £70,064 has been recognised for expected repairs to the groups operating premises. It is expected that most of the expenditure will be incurred in the next financial year and all will be incurred within two years of the balance sheet date

The provision for deferred taxation consists of the tax effects of timing differences in respect of

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	8,660	11,975
	<u>8,660</u>	<u>11,975</u>

Company

	Other provisions £	Deferred taxation £	Total £
Balance brought forward	70,064	-	70,064
Profit and loss movement in the year	-	92	92
Balance carried forward	<u>70,064</u>	<u>92</u>	<u>70,156</u>

A provision of £70,064 has been recognised for expected repairs to the groups operating premises. It is expected that most of the expenditure will be incurred in the next financial year and all will be incurred within two years of the balance sheet date

The provision for deferred taxation consists of the tax effects of timing differences in respect of

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	92	-
	<u>92</u>	<u>-</u>

PVH Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

20 COMMITMENTS UNDER OPERATING LEASES

At 31 May 2014 the group had annual commitments under non-cancellable operating leases as set out below

Group	2014		2013	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	-	-	-	-
Within 2 to 5 years	-	-	-	17,662
After more than 5 years	27,000	-	63,630	-
	<u>27,000</u>	<u>-</u>	<u>63,630</u>	<u>17,662</u>

21 RELATED PARTY TRANSACTIONS

The company is controlled by its directors, who together own 100% of the issued share capital of the company

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with other group companies

The following advances and credits to directors subsisted during the years ended 31 May 2014 and 31 May 2013

	Amounts outstanding		Maximum liability during the year £
	2014 £	2013 £	
A B G Van Huet	41,524	55,998	55,998
S D Pearson	84,364	89,364	89,364

During the year company directors, Mr A B G Van Huet, S D Pearson and Mrs J D Pearson received dividends of £165,784 (2013 - £28,284), £192,580 (2013 - £nil) and £50,000 (2013 - £30,000) respectively

22 MINORITY INTERESTS

	2014 £	2013 £
Deficit brought forward	53,095	44,492
Share of profit	(105,168)	(78,732)
Dividends paid	70,585	87,335
Deficit carried forward	<u>18,512</u>	<u>53,095</u>

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

22 SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
3,600 Ordinary A shares of £1 each	3,600	3,600
3,600 Ordinary B shares of £1 each	3,600	3,600
400 Ordinary C shares of £1 each	400	400
400 Ordinary D shares of £1 each	400	400
	<u>8,000</u>	<u>8,000</u>

23 RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	706,700	1,883,094
Profit for the year	–	611,903
Equity dividends	–	(408,364)
Other gains and losses		
- Revaluation of fixed assets	153,973	–
Other movements		
- transfer to/from revaluation reserve	(36,242)	36,242
Balance carried forward	<u>824,431</u>	<u>2,122,875</u>
Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	706,700	157,601
Profit for the year	–	418,496
Equity dividends	–	(408,364)
Other gains and losses		
- Revaluation of fixed assets	122,914	–
Other movements		
- transfer to/from revaluation reserve	(36,242)	36,242
Balance carried forward	<u>793,372</u>	<u>203,975</u>

24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	611,903	393,220
Other net recognised gains and losses	153,973	–
Equity dividends	(408,364)	(113,164)
Net addition to shareholders' funds	<u>357,512</u>	<u>280,056</u>
Opening shareholders' funds	<u>2,597,794</u>	<u>2,317,738</u>
Closing shareholders' funds	<u>2,955,306</u>	<u>2,597,794</u>

PVH Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2014

25 CASH FLOWS

a Analysis of cash flows for headings netted in the cash flow

Returns on investment and servicing of finance

	2014	2013
	£	£
Dividends received	8,221	—
Interest received	28,424	22,992
Interest paid	(7,671)	(7,990)
Interest element of hire purchase	(599)	—
Dividends paid to minority interests	(70,585)	(87,335)
Net cash outflow from returns on investments and servicing of finance	<u>(42,210)</u>	<u>(72,333)</u>

Taxation

	2014	2013
	£	£
Taxation	<u>(110,409)</u>	<u>(198,939)</u>

Capital expenditure and financial investment

	2014	2013
	£	£
Payments to acquire tangible fixed assets	(50,386)	(94,259)
Receipts from sale of tangible fixed assets	4,800	12,136
Payments to acquire of fixed asset investments	(83,481)	(500,000)
Receipts from sale of fixed asset investments	78,459	50,000
Net cash outflow for capital expenditure and financial investment	<u>(50,608)</u>	<u>(532,123)</u>

Financing

	2014	2013
	£	£
Amount introduced by directors	—	5,000
Amount withdrawn by directors	(5,731)	(176,500)
Repayment of bank loan	(10,737)	(12,860)
Capital element of hire purchase	(7,179)	—
Net cash outflow from financing	<u>(23,647)</u>	<u>(184,360)</u>

b Analysis of net funds

	At 1 Jun 2013	Cash flows	Other changes	At 31 May 2014
	£	£	£	£
Cash in hand and at bank	3,435,693	287,727	—	3,723,420
Overdrafts	(86,012)	86,012	—	—
	<u>3,349,681</u>	<u>373,739</u>	<u>—</u>	<u>3,723,420</u>
Debt due within 1 year	(10,737)	10,737	—	—
Hire purchase	—	7,179	(29,915)	(22,736)
Total	<u>3,338,944</u>	<u>391,655</u>	<u>(29,915)</u>	<u>3,700,684</u>

Other changed during the year relates to assets acquired on a hire purchase agreement