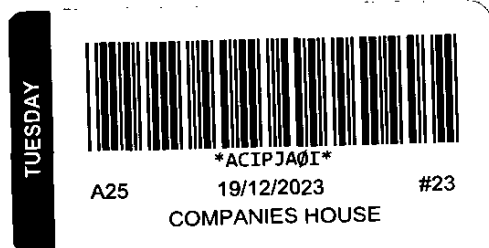


COMPANY REGISTRATION NUMBER: 02484708

P V H HOLDINGS LIMITED
UNAUDITED FINANCIAL STATEMENTS
31 MARCH 2023



P V H HOLDINGS LIMITED

FINANCIAL STATEMENTS

Year ended 31 March 2023

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P V H HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr S D Pearson
Mr A B G Van Huet
Mr A J Simpson
Ms J Kelmonaite

Company secretary

Addleshaw Goddard (Scotland) Secretarial Limited

Registered office

Howdenshire Way
Knedlington Road
Howden
Goole
East Yorkshire
DN14 7HZ

Bankers

HSBC UK Bank Plc
28 High Street
Uxbridge
UB8 1JN

P V H HOLDINGS LIMITED

STRATEGIC REPORT

Year ended 31 March 2023

The directors present the strategic report for the year ended 31 March 2023.

Review of the business

The company is a holding company that manages its subsidiaries, which provide roofing construction services and supply superior quality building materials within the UK construction industry. The company and its subsidiaries are members of the Brickability Group, whose objective is to be the United Kingdom's leading specialist supplier in the housebuilding sector.

Results, performance and business environment

The company's results for the period are set out in the attached financial statements. The consolidated results of the company and its subsidiaries are included within the group financial statements of Brickability Group PLC.

The company incurred a loss of £20,984 (2022: £72,608) in the year and had net assets of £748,447 (2022: £756,734) at the reporting date.

Given the company's position as a holding company, the directors do not consider it necessary to monitor other key performance indicators (KPIs) for the individual entity. KPIs are managed on a group wide basis, including regular assessment of EBITDA (earnings before interest, tax, depreciation and amortisation) for the trading companies. Costs are also reviewed frequently and cash is continuously monitored, in order to maximise cash generation.

Strategy

The board remain fully committed to supporting the existing operations of the business and seek to make further investments, as appropriate, to continue the growth of the group and ensure that it has sufficient resources to meet any future challenges and opportunities that may arise.

Principal risks and uncertainties

The main risk to the company is a fall in the value of its investments. Key risks and uncertainties are considered on a group wide basis as ultimately the performance of the subsidiaries will impact the investment value.

The primary risks and uncertainties facing the company's subsidiaries are interest rate rises and general economic volatility that could slow the house building and construction industry. This may in turn affect demand and the group's ability to continue to trade profitably and manage working capital. In order to monitor, assess and mitigate these risks when required, the directors hold regular meetings to review trading results, working capital and the level of banking facilities available to the company. Further details of the financial risks of the company are set out in the Directors' Report.

Future developments

The company will continue to operate as an intermediate holding company.

Whilst market conditions have weakened during the second half of 2023, the group has continued to trade profitably since the year end. The impact of the current global and national economic conditions continues to be monitored closely by the directors and expectations are that market conditions will remain uncertain heading into 2024. The group uses internal and industry reports to monitor the trading conditions which, together with its ongoing monitoring of costs and other KPIs and long-standing relationships with key trading partners, ensures it is well positioned to react appropriately to changes in the market. The group therefore has a firm foundation on which to consolidate its position in the market and grow in the future, as opportunities arise within the marketplace, which will protect the value of the company's investments.

P V H HOLDINGS LIMITED

STRATEGIC REPORT *(continued)*

Year ended 31 March 2023

Section 172(1) Statement

In compliance with the Companies Act 2006, the directors are required to act in accordance with a set of general duties. During the year to 31 March 2023, the directors consider that they have, individually and collectively, acted in a way that they consider in good faith would be most likely to promote the success of the company for the benefit of its shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term and the company's wider relationships. In doing so, the directors have had regard to the matters contained in section 172(1)(a)-(f) of the Companies Act 2006.

The directors have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly between members of the company.

The directors recognise the importance of building and maintaining relationships with its key stakeholders, and considering the external impact of the company's operations, in order to achieve long term success.

Stakeholder engagement

The directors consider the views and interests of its key stakeholders when making decisions. During the year, the directors used information received to contemplate the potential impact of the company's decisions on those key stakeholders. This information was distributed in a range of formats, including reports and presentations on financial and operational performance, non-financial KPIs and risk. The directors acknowledge that not every decision made will necessarily result in a positive outcome for all stakeholders, with difficult decisions sometimes required based on competing priorities. By considering the company's purpose and values, together with its strategic priorities and having a process in place for decision making, the directors aim to balance those different perspectives.

As an intermediate holding company within the Brickability Group, the company provides services to its subsidiaries and does not have any external customers or suppliers. The board of directors (the "board") consists of directors from various subsidiaries within the P V H Holdings Group. Stakeholder engagement will often take place at an operational level, with each director reporting to the board their views of the stakeholders relevant to their own trading subsidiaries. In addition, certain stakeholder engagement will be led at Brickability Group PLC group level, particularly when matters are of group wide significance.

The key stakeholders of the individual company are its:

- Shareholders, including those of its ultimate parent;
- Subsidiaries; and
- Employees.

Further details of these key stakeholders and how the company and directors engage with them are outlined below.

Shareholders

The company is a wholly owned subsidiary and its ultimate parent is listed on the AIM. Several members of the board are also members of the Brickability Group management board and thus company matters are regularly reported to the group's board through frequent meetings and communication. The company engages with its parent company on various matters including the group's strategy, group policies and governance matters.

P V H HOLDINGS LIMITED

STRATEGIC REPORT *(continued)*

Year ended 31 March 2023

Subsidiaries

The company engages with its subsidiaries through regular meetings, consulting them on a wide range of matters including group funding decisions, group policies, governance, operational matters and the delivery of the group's strategy.

Employees

Employees value job security, the opportunity to develop and being rewarded for their hard work. They also wish to work in an encouraging environment and be kept informed of changes in the business. The company therefore aims to attract, retain and motivate the highest calibre of personnel. The directors engage with employees in a variety of ways, including regular office and team meetings. Appropriate training is also offered to develop and support staff.

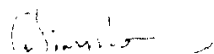
Furthermore, directors take into account the views of a wider set of stakeholders, as outlined by the individual directors reporting to the board. This wider list of stakeholders includes group customers, suppliers and employees, industry regulators and the environment and community. Further details of these additional stakeholders are outlined in Brickability Group PLC's annual report and financial statements.

Impact on decision making

There has not been any significant change in the company's strategy during the year. Matters that have had an impact on the company's key stakeholders are as follows:

Event	Stakeholders primarily affected	Impact
Issue of Long-term Incentive Plan (LTIP) options	Shareholders, Employees	During the year, the Group issued LTIP awards to employees. This provided an opportunity to reward staff within the company and align the interests of both employees and shareholders, aiding the objective of retaining key employees.
Corporate governance	Shareholders, subsidiaries	The board regularly engages with the company's ultimate parent through the Brickability Group PLC management board. This ensures that the company and its subsidiaries continue to comply with group policies and adhere to the group's high standards of business conduct.

This report was approved by the board of directors on 18 December 2023 and signed on behalf of the board by:



Mr A J Simpson
Director

P V H HOLDINGS LIMITED

DIRECTORS' REPORT

Year ended 31 March 2023

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2023.

Directors

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

Mr S D Pearson
Mr A B G Van Huet
Mr A J Simpson
Ms J Kelmonaite

Dividends

The directors do not recommend the payment of a dividend.

Future developments

Expected future development of the company are outlined within the Strategic Report on pages 2 to 4 of the financial statements.

Greenhouse gas emissions and energy consumption

Information not included

In accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, details of the company's carbon emissions are not disclosed as the appropriate disclosures are included within the consolidated financial statements of its ultimate parent, Brickability Group PLC.

P V H HOLDINGS LIMITED

DIRECTORS' REPORT *(continued)*

Year ended 31 March 2023

Financial instruments

Financial risk management

The company is the parent company of subsidiaries whose operations expose it to a variety of financial risks, including the effects of changes in the construction industry driven by the economy. The company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the group by monitoring the economy for indications of volatility. The company's principal financial instruments comprise investments in its subsidiaries and group loans. The policies outlined by the board are implemented by the company's finance department.

Price risk management

Due to the nature of the financial instruments used by the company there is no exposure to market price risk.

Credit risk management

Due to the nature of the financial instruments used by the company there is minimal exposure to external credit risk, with debtors primarily relating to amounts due from group undertakings. The company's trading subsidiaries have implemented policies that require appropriate credit checks on potential customers before sales are made. Customers are assigned credit limits and overdue debts are chased on a regular basis.

Liquidity risk and cash flow management

The company actively monitors its liquidity and cash flow position to ensure the continuity of funding throughout the group. Certain banking arrangements are made through the company's ultimate parent and thus the company undertakes regular cash flow forecasting to ensure that bank and other borrowing facilities are sufficient to meet working capital requirements and ultimately ensure it has sufficient cash in order to fund its activities.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 20 to the financial statements.

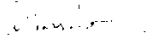
Qualifying indemnity provision

During the year, the company maintained liability insurance for its directors and officers, as permitted by the company's articles of association which allow the indemnification of directors or officers out of the assets of the company to the extent permitted by law. The qualifying third-party indemnity arrangements were in place throughout the current and prior year and remain in place as at the date of approving these financial statements.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 we set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

This report was approved by the board of directors on 18 December 2023 and signed on behalf of the board by:



Mr A J Simpson
Director

P V H HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2023

	Note	2023 £	2022 £
Administrative expenses		(262,601)	(335,337)
Other operating income	4	<u>235,291</u>	<u>255,588</u>
OPERATING LOSS	5	<u>(27,310)</u>	<u>(79,749)</u>
LOSS BEFORE TAXATION		<u>(27,310)</u>	<u>(79,749)</u>
Tax on loss	8	<u>6,326</u>	<u>7,141</u>
LOSS FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		<u>(20,984)</u>	<u>(72,608)</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 21 form part of these financial statements.

P V H HOLDINGS LIMITED

BALANCE SHEET

31 March 2023

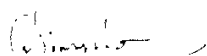
	Note	2023 £	2022 £
FIXED ASSETS			
Investments	10	4,374,388	4,223,030
CURRENT ASSETS			
Debtors	11	19,840,937	19,754,500
Cash at bank and in hand		–	32,216
		19,840,937	19,786,716
CREDITORS: amounts falling due within one year	12	(23,466,351)	(21,799,996)
NET CURRENT LIABILITIES		(3,625,414)	(2,013,280)
TOTAL ASSETS LESS CURRENT LIABILITIES		748,974	2,209,750
CREDITORS: amounts falling due after more than one year	13	(527)	(1,453,016)
NET ASSETS		748,447	756,734
CAPITAL AND RESERVES			
Called up share capital	17	8,000	8,000
Capital contribution	18	51,602	38,905
Profit and loss account	18	688,845	709,829
SHAREHOLDERS FUNDS		748,447	756,734

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 18 December 2023, and are signed on behalf of the board by:



Mr A J Simpson
Director

Company registration number: 02484708

The notes on pages 10 to 21 form part of these financial statements.

P V H HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2023

	Called up share capital £	Capital contribution £	Profit and loss account £	Total £
AT 1 APRIL 2021	8,000	–	782,437	790,437
Loss for the year	—	—	(72,608)	(72,608)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	—	(72,608)	(72,608)
Equity settled share-based payments	—	27,716	—	27,716
Deferred tax on equity settled share-based payment transactions	—	11,189	—	11,189
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	38,905	—	38,905
AT 31 MARCH 2022	8,000	38,905	709,829	756,734
Loss for the year	—	—	(20,984)	(20,984)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	—	(20,984)	(20,984)
Equity settled share-based payments	—	23,886	—	23,886
Deferred tax on equity settled share-based payment transactions	—	(11,189)	—	(11,189)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	12,697	—	12,697
AT 31 MARCH 2023	8,000	51,602	688,845	748,447

The notes on pages 10 to 21 form part of these financial statements.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. GENERAL INFORMATION

The company is a private company limited by shares, incorporated in England & Wales. The address of the registered office is Howdenshire Way, Knedlington Road, Howden, Goole, East Yorkshire, DN14 7HZ.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Going concern

The company is a holding company, with its assets primarily relating to investments in and balances due from group undertakings. Liabilities also primarily relate to balances due to group undertakings, with the company having net current liabilities of £3,625,114 (2022: £2,013,280) at the year end. As such, the directors have considered the potential impairment of these assets and the appropriateness of going concern, with the company able to finance its operations largely due to support from group companies.

In their assessment of the recoverability of group balances and of the business as a going concern, the directors have considered the impact of the economic volatility, that may slow the construction and housebuilding industries, on group undertakings. In particular, the group is impacted by interest rate rises, which could lower the demand for mortgages and new build housing.

The directors have assessed the potential impact on both the company and wider group. Budgets have been prepared, with estimated future revenues and profits, based on management's expectations under current and anticipated market conditions. Management has considered inflationary increases in pricing, which will likely impact overhead costs, as well as the potential impact of continued material price increases on margins and turnover. The budgets have also been stress tested to assess the potential impact of a significant and prolonged drop in demand on the trading companies.

The group regularly monitors margins and, where possible, seeks to secure fixed pricing over a longer period with key suppliers to maintain pricing continuity. It also seeks to diversify its supplier base, using companies in the UK and Europe to minimise disruption caused by delays or issues experienced by individual suppliers. Furthermore, it maintains close relationships with both key customers and suppliers to manage expectations and secure delivery of products at the best prices possible.

Based on the forecast results and headroom during the stress tests, together with the group's profitable post year end results, it is considered extremely unlikely that turnover would fall to such a level that would result in the group being unable to meet its obligations. The directors therefore do not consider that there is any impairment of the assets held.

Furthermore, the company has access to a group level borrowing facility with significant headroom and shared group notional pool facility, through its ultimate parent Brickability Group PLC. The Brickability Group is therefore in a position to make the necessary funds available to the company on demand, if required, to ensure the company can continue to meet its obligations as they fall due.

After making appropriate enquiries, including consideration of recent budgets, group banking facilities, ongoing relationships with key trading partners and a review of the company's risk assessments, the directors have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of signing these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Brickability Group PLC which can be obtained from the company's registered office at C/O Brickability Limited, South Road, Bridgend Industrial Estate, Bridgend, United Kingdom, CF31 3XG and from its website. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) the requirement to present a cash flow statement under Section 7 Statement of Cash Flows;
- (b) the requirements of eligible paragraphs within Sections 11 and 12 concerning financial instrument disclosures;
- (c) the requirements of eligible paragraphs within Section 26 concerning share-based payment arrangements of the company's ultimate parent; and
- (d) the requirement to disclose the aggregate remuneration of key management personnel in accordance with paragraph 33.7.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of the UK.

Its financial statements are consolidated into the financial statements of Brickability Group PLC, which can be obtained from the company's registered office at C/O Brickability Limited, South Road, Bridgend Industrial Estate, Bridgend, United Kingdom, CF31 3XG.

Judgements 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 these 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 revision affects both current and future periods.

The directors do not consider that there were any areas involving a high degree of judgement or significant level of estimation uncertainty for the company, for the year ended 31 March 2023.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amount and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 25% Reducing balance
---------------------	------------------------

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit and loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution pensions

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Defined contribution pensions *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Share-based payments

The company's employees participate in a group share option scheme and long-term incentive plan. Equity instruments of the ultimate parent company are offered in exchange for services rendered to the company.

Equity-settled share-based payment transactions are measured at fair value at the date of the grant, as determined by a group valuation at that date. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. This is based upon the company's estimate of the number of share options that will eventually vest. At each reporting date, the company revises its estimate of the number of share options expected to vest as a result of non-market-based vesting conditions. The probability of market conditions being met are not subsequently adjusted for. Any impact of a revision to the original estimates is recognised in the profit or loss account such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

The expense recognised by the company is on the basis of a reasonable allocation of the expense for the group, with this allocation based on the number of share options held by employees of the company as a proportion of the total share options granted and expected to vest. The expense includes provision for any employment taxes expected to be incurred, with a corresponding liability included within other creditors.

4. OTHER OPERATING INCOME

	2023	2022
	£	£
Management charges receivable	235,291	255,338
Other operating income	—	250
	<u>235,291</u>	<u>255,588</u>

Further details concerning government grant income are disclosed in note 18.

5. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2023	2022
	£	£
Equity-settled share-based payments expense	<u>20,645</u>	<u>39,744</u>

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

6. STAFF COSTS

The average number of persons employed by the company during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Administrative staff	3	3
Management staff	1	2
	<u>4</u>	<u>5</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	219,337	270,523
Social security costs	24,628	25,681
Other pension costs	4,017	3,703
	<u>247,982</u>	<u>299,907</u>

7. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	84,730	71,373
Company contributions to defined contribution pension plans	1,556	1,275
	<u>86,286</u>	<u>72,648</u>

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

	2023	2022
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

8. TAX ON LOSS

Major components of tax income

	2023	2022
	£	£
Deferred tax:		
Origination and reversal of timing differences	(6,326)	(7,141)
Tax on loss	<u>(6,326)</u>	<u>(7,141)</u>

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

8. TAX ON LOSS *(continued)*

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023 £	2022 £
Loss on ordinary activities before taxation	(27,310)	(79,749)
Loss on ordinary activities by rate of tax	(5,189)	(15,152)
Effect of expenses not deductible for tax purposes	–	419
Effect of different UK tax rates on some earnings	(12)	(12)
Utilisation of tax losses	1,616	–
Group relief	–	7,604
Effect of share options	(2,741)	–
Tax on loss	(6,326)	(7,141)

9. TANGIBLE ASSETS

	Plant and machinery £	Total £
Cost		
At 1 April 2022 and 31 March 2023	4,328	4,328
Depreciation		
At 1 April 2022 and 31 March 2023	4,328	4,328
Carrying amount		
At 31 March 2023	–	–
At 31 March 2022	–	–

10. INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 April 2022	4,223,030
Additions	151,358
At 31 March 2023	4,374,388
Impairment	
At 1 April 2022 and 31 March 2023	–
Carrying amount	
At 31 March 2023	4,374,388
At 31 March 2022	4,223,030

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

10. INVESTMENTS *(continued)*

During the year, an amount of £151,358 was recognised in respect of additional consideration payable for the acquisition of McCann Logistics Ltd, which is contingent on future performance. The directors consider that payment of this additional consideration is probable based on the latest forecasts and information available.

Subsidiaries, associates and other investments

Subsidiary undertakings	Country of incorporation	Class of share	Percentage of shares held
Crest Brick Slate & Tile Limited	England and Wales	Ordinary A, B & C	100
Crest Roofing Limited	England and Wales	Ordinary A, B & C	100
Crown Roofing (Centres) Limited	England and Wales	Ordinary	100
Excel Roofing Services Limited	England and Wales	Ordinary A, B & C	100
McCann Roofing Products Limited	England and Wales	Ordinary	100
McCann Logistics Ltd	England and Wales	Ordinary	100

The shares in McCann Roofing Products Limited are held by Crest Brick Slate & Tile Limited.

The shares in Crown Roofing (Centres) Limited and Excel Roofing Services Limited are held by Crest Roofing Limited.

11. DEBTORS

	2023 £	2022 £
Amounts owed by group undertakings	19,800,339	19,712,337
Deferred tax asset	13,508	18,371
Prepayments and accrued income	27,090	23,792
	<u>19,840,937</u>	<u>19,754,500</u>

Included within current assets is £19,800,339 (2022: £19,712,337) in respect of amounts due from group undertakings. Whilst technically due on demand, the repayment of group debts is under the control of the board.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

12. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	14,952	–
Trade creditors	22,348	21,670
Amounts owed to group undertakings	21,770,482	21,549,841
Accruals and deferred income	37,915	34,213
Social security and other taxes	13,438	17,043
Other creditors	1,607,216	177,229
	<u>23,466,351</u>	<u>21,799,996</u>

Included within creditors falling due within one year are amounts owed to group undertakings amounting to £21,770,482 (2022: £21,549,841). Whilst technically due on demand, the payment of these liabilities is under the control of the board.

13. CREDITORS: amounts falling due after more than one year

	2023	2022
	£	£
Accruals and deferred income	527	–
Other creditors	–	1,453,016
	<u>527</u>	<u>1,453,016</u>

14. DEFERRED TAX

The deferred tax included in the balance sheet is as follows:

	2023	2022
	£	£
Included in debtors (note 11)	<u>13,508</u>	<u>18,371</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2023	2022
	£	£
Share-based payments	(13,406)	(18,321)
Short term timing differences	(102)	(50)
	<u>(13,508)</u>	<u>(18,371)</u>

The company's deferred tax asset is not expected to change significantly in the next year.

15. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £4,017 (2022: £3,703).

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

16. SHARE-BASED PAYMENTS

The company's ultimate parent operates a Company Share Option Plan (CSOP) and Long-term Incentive Plan (LTIP), whereby share options are granted to certain employees of the company. The share-based payments are equity-settled through the issue of shares in the company's ultimate parent.

Options under the CSOP scheme are exercisable at a price equal to the market value per ordinary share at the grant date. Options have a vesting period of three years and a contractual life of ten years. Options granted under the LTIP scheme are exercisable at the nominal price of £0.01. They also have a vesting period of three years and a contractual life of ten years.

LTIP share options and some CSOP options have performance based vesting conditions dependent on total shareholder return (TSR) and adjusted EBITDA, with each award split equally between the two performance conditions. Vesting occurs on a straight-line basis on achieving 18% (equivalent to 6% per annum) to 30% (equivalent to 10% annually) of the relevant performance condition over a three-year performance period. This is no vesting if the relevant target is not met but a 50% or 25% vesting if the initial 18% hurdle is met with a proportionate additional vesting of up to 100% at the 30% threshold being met.

Options are forfeited if the employee leaves employment before the options vest, unless considered a 'good leaver'.

17. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary A shares of £1 each	3,600	3,600	3,600	3,600
Ordinary B shares of £1 each	3,600	3,600	3,600	3,600
Ordinary C shares of £1 each	400	400	400	400
Ordinary D shares of £1 each	400	400	400	400
	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>

The shares rank pari passu and all carry no fixed right to income and carry one vote at meetings of the company.

18. RESERVES

The called up share capital reserve represents the nominal value received for shares issued.

The capital contribution reserve records the cumulative value of equity settled share-based payments in respect of share options issued by the company's ultimate parent to employees of the company.

The profit and loss account represents the total of all current and prior period retained profits and losses.

P V H HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

19. CONTINGENCIES

The company has provided a guarantee in respect of a bank loan held by its ultimate parent company. The maximum potential liability, in respect of this debt, at 31 March 2023 was £17.0m. The bank loan is secured by a fixed and floating charge over all property and undertakings of the company.

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no subsequent events requiring further disclosure or adjustments to these financial statements.

21. RELATED PARTY TRANSACTIONS

In accordance with FRS 102, transactions with wholly owned group companies that are included within the ultimate parent undertaking's financial statements are not disclosed.

22. CONTROLLING PARTY

The company's immediate parent undertaking is Brickability Enterprises Investments Limited, whose registered office is C/O Brickability Limited South Road, Bridgend Industrial Estate, Bridgend, United Kingdom, CF31 3XG.

Brickability Group PLC is the company's ultimate parent undertaking and the parent of the group for which consolidated financial statements are prepared. Copies of the group accounts can be obtained from Brickability Group PLC's registered office at C/O Brickability Limited, South Road, Bridgend Industrial Estate, Bridgend, United Kingdom, CF31 3XG and from its website. The directors consider that there is no ultimate controlling party. The majority shareholders of Brickability Group PLC are stated in the group's annual report.