

PHS Investments Limited

**Annual report
for the year ended 30 June 2022**

Registered no: 02897169

phs Group

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PHS Investments Limited

Annual report for the year ended 30 June 2022

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PHS Investments Limited

1

Directors and advisors

Directors

M E S Brabin
C J Thomas
T G Scruse
A Fainman

Secretary and registered office

D Finlayson
PHS Group
Block B
Western Industrial Estate
CAERPHILLY
CF83 1XH

Solicitors

Blake Morgan LLP
One Central Square
CARDIFF
CF10 1FS

**Strategic Report
for the year ended 30 June 2022**

The Directors present their strategic report of the Company for the year ended 30 June 2022.

Business overview

In May 2020, PHS Bidco Limited, a parent company, was acquired by Bidvest Services (UK) Limited. In order to align with the new group's reporting, the reporting date of the Company was extended to 30 June. Consequently, the results in these financial statements are for the 52 weeks ending 30 June 2022 and are not directly comparable to the previous period which include the results for the 53 weeks ending 30 June 2021.

Financial review

During the prior period an intercompany debt was written off for £21.2m. Net finance income was £nil (2021: £5.4m) and there was no tax charge in the year (2021: £nil charge). The result for the financial year was £nil (2021: £15.8m). Net assets at 30 June 2022 totalled £11.3m (2021: £11.3m).

Principal risks and uncertainties

The Company is managed as part of a group of companies whose parent company is PHS Bidco Limited, an undertaking incorporated in the United Kingdom and of which the Company is a wholly owned subsidiary.

The principal risks and uncertainties of the Company are integrated into the principal risks and uncertainties of the group and are not managed separately.

Key performance indicators

The Company is managed as part of a group of companies whose parent company is PHS Bidco Limited, an undertaking incorporated in the United Kingdom and of which the Company is a wholly owned subsidiary. As the company is a holding company there are no key performance indicators as such.

Section 172(1) statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, Section 172 require a director to have regard, amongst other matters, to the:

- Likely consequences of any decision in the long-term;
- The interests of the Company's employees;
- Need to foster the company's business relationships with suppliers, customer 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.

To discharge their Section 172 duties the Company's Directors had regard to the factors set out above in making the principal decisions taken by the Company.

The Company's key stakeholder is a parent company, PHS Bidco Limited. The Company's Directors believe that, individually and together, they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matter set out in s172(1)(a-f) of the Companies Act 2006 in the decisions taken during the year ended 30 June 2022.

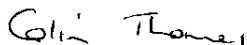
**Strategic Report
for the year ended 30 June 2022 (continued)**

Section 172(1) statement (continued)

From the perspective of the Company's Directors, as a result of the PHS Bidco Limited governance structure, the PHS Bidco Limited Board of Directors has taken the lead in carrying out the duties of a board in respect of the Company's other stakeholders. The Company's Directors have also considered relevant matters where appropriate to the Company through as hoc board meetings. As the Company is an intermediate holding company and has no employees, consideration of the business relationships with the Company's wider stakeholders, the impact of the Company's operations on the environment and communities in which it operates; and the Company's compliance in relation to safeguarding of human rights and community relationships is not applicable.

PHS has a unique culture that has been built up over 50 years and, as the business has evolved, our culture and values have evolved with it. The Company embodies and demonstrates the desired culture of the PHS group to maintain a reputation for high standards of business conduct through the adoption of the group's policies which ensures that the Company embodies the philosophy to act with integrity and is trusted to deliver excellence.

Approved and signed on behalf of the Board



C J Thomas
Director
3 March 2023

**Directors' report
for the year ended 30 June 2022**

The Directors present their report and the financial statements for the year ended 30 June 2022.

Principal activities

PHS Investments Limited is an intermediate holding company of a group whose principal activity is the provision of workplace services.

Results and dividends

The result for the financial year amounted to £nil (2021: £15.8m).

The Directors do not recommend the payment of a dividend for the year (2021: £nil). Dividends paid during the year amounted to £nil (2021: £nil).

Directors

The directors who served during the year and up to the date of approval of the financial statements (unless otherwise stated) were:

M E S Brabin
C J Thomas
T G Scruse
A Fainman

Future developments

It is anticipated that the role of the Company within the group will remain unchanged into the foreseeable future.

Financial risk management

The financial structure of the Company is linked to the group as there are no external borrowings and the company does not trade. There is a group-wide risk management programme in place which sets out the financial risk management policies which are also relevant to the Company.

Going concern

In determining whether the Company's financial statements can be prepared on a going concern basis, the Directors considered the Company's business activities together with factors likely to affect its performance and financial position. The factors included the likely impact of the uncertain global and UK economic outlook and high inflation rates.

The ultimate parent company, The Bidvest Group Limited, has provided support to the PHS Group and this support will be available for the foreseeable future, being at least 12 months from the date of these financial statements.

The Directors have concluded with regard to the most recent projections available that the Company will have available sufficient funding to enable it to continue as a going concern and meet its liabilities as they fall due for the foreseeable future.

**Directors' report
for the year ended 30 June 2022 (continued)**

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

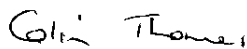
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Approved and signed on behalf of the Board



**C J Thomas
Director
3 March 2023**

**Income statement
for the year ended 30 June 2022**

	Note	Year ended 30 June 2022 £'000	Period ended 30 June 2021 £'000
Impairment of intercompany receivable	5	-	(21,205)
Interest receivable and similar income	6	-	5,606
Interest payable and similar expenses	7	-	(182)
Result / (Loss) before taxation		-	(15,781)
Tax on result / (loss)	8	256	-
Profit / (Loss) for the financial year / period		256	(15,781)

All results are in respect of continuing operations.

There is no other comprehensive income for the current year or the prior period.

**Statement of financial position
as at 30 June 2022**

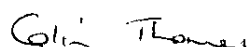
	Note	30 June 2022 £'000	30 June 2021 £'000
Fixed assets			
Investments	9	11,315	11,255
Current assets			
Trade and other receivables	10	-	60
Net current assets		-	60
Total assets less current liabilities		11,315	11,315
Net assets		11,315	11,315
Capital and reserves			
Called up share capital	12	22,739	22,739
Profit and loss account	13	(11,424)	(11,424)
Total shareholders' funds		11,315	11,315

For the year ended 30 June 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the financial year in question in accordance with section 476; and
- The Director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board of Directors on 3 March 2023 and were signed on its behalf by:



C J Thomas
Director

The notes on pages 9 to 16 form part of these financial statements.

**Statement of changes in equity
for the year ended at 30 June 2022**

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 22 June 2020	1,534	4,357	5,891
Comprehensive expense for the period			
Loss for the financial period	-	(15,781)	(15,781)
Total comprehensive expense for the period	-	(15,781)	(15,781)
Proceeds from shares issued	21,205	-	21,205
Transactions with owners	21,205	-	21,205
At 30 June 2021	22,739	(11,424)	11,315
Results for the financial year	-	-	-
Total comprehensive income for the year	-	-	-
At 30 June 2022	22,739	(11,424)	11,315

Notes to the financial statements for the year ended 30 June 2022

1. General information

PHS Investments Limited is an intermediate holding company of a group whose principal activity is the provision of workplace services.

The Company is a private company limited by shares and is incorporated and domiciled in England & Wales with a registered number of 02897169. The address of its registered office is PHS Group, Block B, Western Industrial Estate, Caerphilly, CF83 1XH.

2. Principal accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently.

Consolidated financial statements

The Company is exempt from the preparation of consolidated financial statements by virtue of Section 400 of the Companies Act 2006. These financial statements present information about the Company as an individual undertaking and not about its Group.

Financial reporting standard 101 – reduced disclosure exemptions

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

- IFRS 7, 'Financial instruments, Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - iii. Paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16(statement of compliance with all IFRS);
 - 38A(requirement for minimum of two primary statements, including cash flow statements);
 - 38B–D (additional comparative information);
 - 111(statement of cash flows information); and
 - 134–136 (capital management disclosures);

Notes to the financial statements for the year ended 30 June 2022 (continued)

2. Principal accounting policies (continued)

Financial reporting standard 101 – reduced disclosure exemptions (continued)

- IAS 7, 'Statement of cash flows' Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group; and
- Paragraphs 130(f)(ii), 130(F)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets' (disclosures when the recoverable amount is fair value less costs of disposal, assumptions involved in estimating recoverable amounts of cash-generating units containing goodwill or intangible assets with indefinite useful lives, and management's approach to determining these amounts).

This information is included in the consolidated financial statements of The Bidvest Group Limited as at 30 June 2022 and these financial statements may be obtained from the group's offices at Bidvest House, 18 Crescent Drive, Melrose Arch, Melrose, Johannesburg, 2196, South Africa.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Going concern

In determining whether the Company's financial statements can be prepared on a going concern basis, the Directors considered the Company's business activities together with factors likely to affect its performance and financial position. The factors included the likely impact of the uncertain global and UK economic outlook and high inflation rates.

The ultimate parent undertaking, The Bidvest Group Limited, has provided support to the PHS Group and this support will be available for the foreseeable future, being at least 12 months from the date of these financial statements.

The Directors have concluded with regard to the most recent projections available that the Company will have available sufficient funding to enable it to continue as a going concern and meet its liabilities as they fall due for the foreseeable future.

Valuation of investments

Investments held as fixed assets are stated at cost less provision for any impairment in value. Provision for impairment is recognised where the carrying value of the investment is lower than the higher of the net realisable value and value in use. The value in use is calculated using cash flow projections based on financial budgets approved by the Board covering a one-period period. Cash flows are extrapolated using an estimated long-term growth rate. The growth rate is based on the average long-term growth rate predicted across the relevant sectors and countries in which the business operates.

Trade and other receivables

Trade and other receivables consist of loans made to group undertakings. The loans are classed as financial assets and are subject to IFRS 9's expected credit loss model.

Notes to the financial statements for the year ended 30 June 2022 (continued)

2. Principal accounting policies (continued)

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all amounts due from group undertakings.

To measure the expected credit losses, amounts owed by group undertakings are grouped based on shared credit risk characteristics and the ageing profile of receivables.

Cash and cash equivalents

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

Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one period), 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 period, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

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 Income statement.

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.

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.

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.

Finance costs

Finance costs are charged to the Income statement 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.

Notes to the financial statements for the year ended 30 June 2022 (continued)

Interest Income

Interest income is recognised in the Income statement using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation

The Company makes judgments and estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the Directors, there are no judgments or estimates that have a risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial period.

4. Directors and employees

No persons other than the Directors were employed during the year (2021: nil). The emoluments of M E S Brabin and C J Thomas are borne by Personnel Hygiene Services Limited, which makes no recharge to the Company (2021: £nil). M E S Brabin and C J Thomas served as directors of a parent company, Personnel Hygiene Services Limited, during the year and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments for each of the subsidiaries. Accordingly, no emoluments are included in these financial statements. The total emoluments of the directors are disclosed in the financial statements of Personnel Hygiene Services Limited.

The emoluments T G Scruse and A Fainman are borne by a parent company, Bidvest Services (Pty) Limited which makes no recharge to the Company (2021: £nil). T G Scruse and A Fainman served as directors of Bidvest Services (Pty) Limited during the year and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments for each of the subsidiaries.

5. Impairment of intercompany receivable

	2022 £'000	2021 £'000
Intercompany debt written off	-	21,205

6. Interest receivable and similar income

	2022 £'000	2021 £'000
Interest receivable on loans to group undertakings	-	5,606

7. Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest payable on loans from group undertakings	-	183

Notes to the financial statements for the year ended 30 June 2022 (continued)

8. Tax on result / (loss)

(a) Analysis of charge in the year / period

	2022 £'000	2021 £'000
Current tax		
Group relief payable	-	-
Total current tax	-	-
Taxation on result/ (loss)	-	-

(b) Factors affecting the tax charge for the year / period

The tax assessed for the year is the same as (2021: varies from) the standard rate of corporation tax in the UK. The differences are explained below:

	2022 £'000	2021 £'000
Result / (Loss) before taxation	-	(15,781)
(Loss)/Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	-	(2,998)
Expenses not deductible for tax purposes	-	4,029
Group relief unpaid	-	(1,031)
Total tax charge for the year /period (note 8(a))	-	-

9. Investments

	2022 £'000	2021 £'000
Shares in subsidiary undertakings		
Cost and net book value		
Opening balance	11,255	1,598
Additions	60	9,657
Closing balance	11,315	11,255

10. Trade and other receivables

	2022 £'000	2021 £'000
Amounts owed by group undertakings	-	60

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. An interest rate of 5% is charged on non-trading balances with group undertakings that are not dormant.

Notes to the financial statements for the year ended 30 June 2022 (continued)

11. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed to group undertakings	-	-

Amounts owed to group undertakings were unsecured, had no fixed date of repayment and were repayable on demand. An interest rate of 5% was charged on non-trading balances with group undertakings that were not dormant.

12. Called up share capital

	2022 £'000	2021 £'000
Allotted, issued and fully paid:		
14,848,500 (2021: 14,848,500) deferred shares of 10p each	1,485	1,485
591,010,577 (2021: 591,010,577) ordinary shares of \$0.05 each	21,254	21,254
	22,739	22,739

During the prior period 589,525,727 ordinary \$0.05 shares were issued at par for a total consideration of £21,205,000.

13. Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

14. Capital commitments and contingent liabilities

The Company had no capital commitments at 30 June 2022 (2021: £nil).

15. Ultimate parent company and controlling party

The immediate parent PHS Holdings Limited, an undertaking incorporated in the United Kingdom. The ultimate parent undertaking and controlling party is The Bidvest Group Limited, an undertaking incorporated and operating in South Africa.

The parent company of the smallest and largest group at which the Company's financial statements are consolidated is The Bidvest Group Limited and their financial statements may be obtained from the group's offices at Bidvest House, 18 Crescent Drive, Melrose Arch, Melrose, Johannesburg, 2196, South Africa.

16. Dividends

The Directors do not recommend the payment of a dividend for the year (2021: £nil). Dividends paid during the year amounted to £nil (2021: £nil).

Notes to the financial statements for the year ended 30 June 2022 (continued)

17. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Direct subsidiary undertaking

The company owns directly 100% of the ordinary share capital of the company listed below. For the company listed, the country of incorporation is the UK and the registered office is PHS Group, Block B, Western Industrial Estate, Caerphilly, CF83 1XH.

Name	Principal activity
Personnel Hygiene Services Limited	Provision of workplace services

Indirect subsidiary undertakings

The company owns indirectly 100% of the ordinary share capital of the companies listed below. For each company listed, the country of incorporation is the UK and the registered office is PHS Group, Block B, Western Industrial Estate, Caerphilly, CF83 1XH.

Name	Principal activity
Clean Step Limited	Dormant
CLM Safety Limited	Intermediate holding company
Dartry Laundry Limited	Provision of laundry services
Environmental Waste Solutions UK (Holdings) Limited	Dormant
Environmental Waste Solutions UK Limited	Dormant
Epsilon Test Services Limited	Intermediate holding company
Floor Protection Services Limited	Dormant
Griffin Environmental Services Limited	Dormant
H&A Waste Services Limited	Dormant
Mayflower Hygiene Supplies (London) Limited	Provision of workplace services
MC494 Limited	Dormant
PHS All Clear Limited	Dormant
PHS Compliance Limited	Provision of workplace services
PHS FXCO1 Limited	Intermediate holding company
PHS FXCO2 Limited	Intermediate holding company
PHS Investments Limited	Intermediate holding company
PHS Washrooms Limited	Intra-group financing intermediary
PHS Wastekit Limited	Dormant
Rentacrate (UK) Limited	Dormant
Rentacrate Limited	Dormant
Scott-Law Archival and File Management Limited	Dormant
Teacrate Limited	Intermediate holding company
Teacrate Rentals Limited	Provision of workplace services
Tenberry Limited	Dormant
Urban Planters Limited	Dormant

Notes to the financial statements for the year ended 30 June 2022 (continued)

17. Subsidiary undertakings (continued)

Name	Principal activity
Warner Howard (Holdings) Limited	Dormant
Warner Howard (UK) Limited	Dormant
Warner Howard Group Limited	Dormant
Warner Howard Limited	Dormant
Warner Howard Services Limited	Dormant

The company owns indirectly 100% of the ordinary share capital of the company listed below. For the company listed, the country of incorporation is the UK and the registered office is PHS Washrooms, Part Block 5, Antrim Business Park, Randalstown Road, Antrim, BT41 4LD.

Name	Principal Activity
Personnel Hygiene Services (N.I) Limited	Dormant

The company owns indirectly 100% of the ordinary share capital of the company listed below. For the company listed, the country of incorporation is the UK and the registered office is Unit 1 Parkside Place, Oasis Business Park, Skelmersdale, Lancashire, WN8 9RD.

Name	Principal Activity
Direct365online Limited	Provision of essential business products

The company owns indirectly 100% of the ordinary share capital of the companies listed below. For each company listed, the country of incorporation is Ireland and the registered office is Unit 8, Cherry Orchard Industrial Estate, Dublin 10.

Name	Principal Activity
Hygiene Matters Limited	Dormant
Karmarton Limited	Provision of workplace services
Mayflower Hygiene Services (Ireland) Limited	Provision of workplace services

The company owns indirectly 100% of the ordinary share capital of the company listed below. For the company listed, the country of incorporation is Spain and the registered office is Ribera de Elorrieta, 7, 48.015, Bilbao, Bizkaia.

Name	Principal Activity
Servicios de Contenedores Higienicos Sanitarios S.A	Provision of workplace services