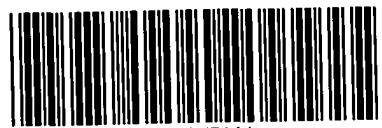


Pegler Holdings Limited

Annual report and financial statements for the year ended 31 December 2022

Registered number: 04928300

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Pegler Holdings Limited

Contents

	Page
Strategic report	1
Directors' report	3
Directors' responsibilities statement	5
Independent auditor's report	6
Profit and loss account	10
Balance sheet	11
Statement of changes in equity	12
Notes to the financial statements	13

Pegler Holdings Limited

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activity

The principal activity during the year was charge rent to Aalberts Integrated Piping Systems Limited for use of land and premises in Doncaster. The Doncaster factory continues to be a key part of Aalberts Integrated Piping Systems Limited's manufacturing strategy.

Review of the business

Operating profit for the year was £464,000 (2021: £464,000 profit). Included within the current year the investment in Pegler Limited of £8,795,000 has been written off. As part of a project to simplify the group structure Pegler Limited was liquidated and net assets were reduced to £26,125,000. (2021: £33,636,000).

Key performance indicators

Given the straightforward nature of the business, the Company's directors believe analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Section 172 Reporting

The Directors of the Company and those of all UK companies must act in accordance with a set of general duties. These duties are detailed in s172 of the UK Companies Act 2006 which are summarised below:

A Director of a Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the shareholders as a whole and in doing so have regard (amongst other matters) to:

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

Given the simplistic nature of the business, the Company's directors are of the opinion that reporting on the above s172 duties is not relevant in the majority of instances.

Further Group wide information is reported in full in the financial statements of Aalberts Integrated Piping Systems Limited.

The Board aims to understand the views of its shareholder and always to act in their best interests. In order to do this, the Board works closely with the principal shareholder on a regular basis to ensure strategy is aligned with the long-term objectives of the shareholders.

Pegler Holdings Limited

Strategic report

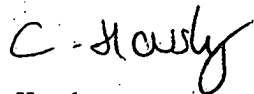
Principal risks and uncertainties

The property owned by the Company houses a key operational site for Aalberts Integrated Piping Systems Limited and therefore rental income is deemed to be secure for the foreseeable future.

Future developments

The Company intends to continue to hold the land in Doncaster and charge rent to Aalberts Integrated Piping Systems Limited.

Approved by the Board and signed on its behalf by:



Claire Housley

Director

29 September 2023

St Catherine's Avenue, Doncaster, South Yorkshire, DN4 8DF

Pegler Holdings Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements, for the year ended 31 December 2022. In accordance with S414C(ii) of Companies Act 2006 the Company has elected to present certain items in the Strategic Report, including the review of the business, key performance indicators, principal risks and uncertainties and future developments. The Company is exempt from Streamlined Energy and Carbon Reporting (SECR) due to less than 40,000 kWh of energy consumption during the year.

Dividends

The directors do not recommend the payment of a dividend (2021): £nil.

Directors

The directors, who served throughout the year and subsequently to the date of this report were as follows:

J Praas (appointed 15 November 2022)
C Housley (appointed 19 October 2022)
J Dillon (appointed 1 September 2022)
C Malloy (resigned 19 October 2022)
G Robinson (resigned 1 September 2022)

Going concern

The directors have assessed the financial performance of the Company along with the support provided by Aalberts Integrated Piping Systems Limited and have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of this report. The directors have made enquiries and satisfied themselves that Aalberts Integrated Piping Systems Limited has the ability to provide financial support should it be required. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Financial risk management objectives and policies

The Company's activities limit exposure to financial risks such as credit risk, cash flow risk and liquidity risk.

Stakeholder engagement

The Company works closely with its key stakeholders to ensure their views are incorporated in key decisions and that interactive discussions can take place on the direction of the business. Various stakeholders are invited to attend meetings to provide their opinion upon which the Directors are making strategic decisions.

Subsequent events

On the 27 March 2023 the Company received £19m from Aalberts France BV in respect of the repayment of an outstanding inter-company loan balance. The directors proposed and paid an Interim dividend of £19.5m to Aalberts U.K Limited on 26 April 2023.

Pegler Holdings Limited

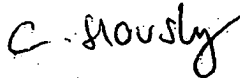
Directors' report

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholder/s have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intend to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by Aalberts N.V., as the ultimate parent of the entity, or by a shareholder/s holding in aggregate 5 per cent or more of the total allocated shares in the Company or more than half of the allotted shares in the entity not held by Aalberts N.V. as the immediate parent.

Approved by the Board and signed on its behalf by:



Claire Housley

Director

29 September 2023

St Catherine's Avenue, Doncaster, South Yorkshire, DN4 8DF

Pegler Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Pegler Holdings Limited

Independent auditor's report to the members of Pegler Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Pegler Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Pegler Holdings Limited

Independent auditor's report to the members of Pegler Holdings Limited

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also

Pegler Holdings Limited

Independent auditor's report to the members of Pegler Holdings Limited

enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included GDPR, the Bribery Act and Health & Safety at Work Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

Pegler Holdings Limited

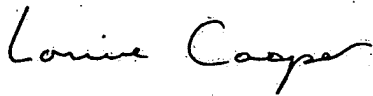
Independent auditor's report to the members of Pegler Holdings Limited

- 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.

We have nothing to report in respect of these matters.

Use of our report

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.



Louise Cooper FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Leeds, United Kingdom

29 September 2023

Pegler Holdings Limited

Profit and loss account

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Administrative expenses		(76)	(76)
Other operating income	3	540	540
Operating profit		464	464
Finance income		251	233
Loss on disposal	4	-	(2,234)
Impairment of fixed asset investments	4	(8,373)	-
Dividend received		-	13,077
Profit before taxation	5	(7,658)	11,540
Tax on profit	6	147	76
Profit for the financial year attributable to the equity shareholders of the Company		(7,511)	11,616

All profits arise from continuing operations.

The notes on pages 13 to 20 form an integral part of these financial statements.

There are no items of other income of expense and therefore a statement of other comprehensive income has not been included.

Pegler Holdings Limited

Balance sheet

As at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	7	3,181	3,256
Investments	8	-	8,795
		<u>3,181</u>	<u>12,051</u>
Current assets			
Debtors			
– due within one year	9	39,784	38,572
		<u>39,784</u>	<u>38,572</u>
Creditors: amounts falling due within one year	10	(16,840)	(16,987)
Net current assets		<u>22,944</u>	<u>21,585</u>
Total assets less current liabilities		<u>26,125</u>	<u>33,636</u>
Net assets		<u>26,125</u>	<u>33,636</u>
Capital and reserves			
Called-up share capital	11	200	200
Profit and loss account	11	25,925	33,436
		<u>26,125</u>	<u>33,636</u>
Shareholder's funds		<u>26,125</u>	<u>33,636</u>

The financial statements of Pegler Holdings Limited (registered number 04928300) were approved by the board of directors and authorised for issue on 29 Sept 2023. They were signed on its behalf by:


 Claire Housley
 Director

The notes on pages 13 to 20 form an integral part of the financial statements.

Pegler Holdings Limited

Statement of changes in equity **For the year ended 31 December 2022**

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2021	200	21,820	22,020
Profit for the financial year and total comprehensive income	-	11,616	11,616
At 1 January 2022	200	33,436	33,636
Loss for the financial year and total comprehensive income	-	(7,511)	(7,511)
At 31 December 2022	200	25,925	26,125

The notes on page 13 to 20 form an integral part of these financial statements.

Pegler Holdings Limited

Notes to the financial statements **For the year ended 31 December 2022**

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Pegler Holdings Limited is a Company incorporated in the United Kingdom under the Companies Act. The Company is a private Company limited by shares and is registered in England and Wales. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Pegler Holdings Limited is pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Pegler Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Pegler Holdings Limited is consolidated in the financial statements of its parent, Aalberts N.V., which may be obtained at www.aalberts.com. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement.

Further, the Company is exempt from preparing group consolidated financial statements under Section 401 of the Companies Act 2006.

b. Going concern

The directors have assessed the financial performance of the Company along with the support provided by Aalberts Integrated Piping Systems Limited and have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of issue of these financial statements. The directors have made enquiries and satisfied themselves that Aalberts Integrated Piping Systems Limited has the ability to provide financial support should it be required. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

c. Financial instruments

Financial assets and financial liabilities are recognised when the Company 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 Company after deducting all of its liabilities.

i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those assets classified as fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Pegler Holdings Limited

Notes to the financial statements **For the year ended 31 December 2022**

1. Accounting policies (continued)

c. Financial instruments (continued)

i) Financial assets and liabilities (continued)

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of the cash or other resources received or receivable, net of direct issue costs.

d. Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line balance basis over its expected useful life, as follows:

Freehold buildings	32 years
Leasehold land and buildings	term of lease

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

e. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

f. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, because of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Pegler Holdings Limited

Notes to the financial statements **For the year ended 31 December 2022**

1. Accounting policies (continued)

f. Impairment of assets (continued)

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

g. Investments

Investments are valued at cost, unless in the opinion of the director's, there is impairment in the value of the investment.

h. Dividends and interest income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not clear from other sources. The estimates and associated assumptions are based on historical experience and other factors that are 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there to be any key sources of estimation uncertainty or critical judgements in applying the Company's accounting policies.

3. Other operating income

This represents a Notional rent charge to Aalberts Integrated Piping Systems Limited for the use of Land and Buildings owned by Pegler Holdings Limited at St Catherine's Avenue, Doncaster.

Pegler Holdings Limited

Notes to the financial statements **For the year ended 31 December 2022**

4. Loss on disposal/liquidation of fixed asset investments

	2022 £'000	2021 £'000
Loss on disposal of subsidiary	-	(2,234)
Impairment of fixed asset investment	(8,373)	-
	<u>(8,373)</u>	<u>-</u>

During 2022 the Company disposed of its investment in Pegler Limited, as part of a project to simplify the group structure.

On 24 November 2020 the Company disposed of Comap (Jiangmen) Plumbing and Heating Equipment Limited. The loss in 2021 relates to the write off of deferred consideration in relation to the sale of Comap (Jiangmen) Plumbing and Heating Equipment Limited. The deferred consideration is no longer recoverable due to the sale of the STH Group during 2021.

5. Profit before taxation

Profit before taxation is stated after charging:

	2022 £'000	2021 £'000
Depreciation of tangible fixed assets (note 7)	<u>75</u>	<u>76</u>

The Company has no employees, and the Directors of the Company are remunerated by Aalberts Integrated Piping Systems Limited.

Pegler Holdings Limited

Notes to the financial statements For the year ended 31 December 2022

6. Tax on profit

The difference between the total tax (credit)/charge noted above and the amount calculated by applying the average standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit (Loss) before tax	(7,658)	11,540
Tax on profit at average standard UK corporation tax rate of 19 per cent (2021: 19 per cent)	(1,455)	2,193
Effects of:		
Expenses not deductible for tax purposes	1,671	15
Income not taxable	(80)	(2,284)
Group relief received free of charge	(136)	-
Tax Rate changes	-	-
Prior year adjustment	(147)	-
Total tax result for year	(147)	(76)

The rate of tax applied to reported profit is 19.00% being the average standard full rate of UK corporation tax applicable for the year (2021: 19.00%).

Factors that may affect future tax charges

The Finance Bill 2021 introduced an increase to the main rate of corporation tax to 25% from April 2023. This rate was substantively enacted on 24 May 2021. As a result, any deferred tax balances expected to reverse after April 2023 and calculated at the previous 19% rate have been re-measured using the increased 25% rate.

However, in the September 2022 Mini Budget it was announced that the increase to 25% would now not occur and the Corporation Tax Rate would instead be held at 19%. This rate had not been substantively enacted at the balance sheet date, and as the result the deferred tax balances as at 31 December 2021 continue to be measured at the 25% rate noted above.

Pegler Holdings Limited

Notes to the financial statements For the year ended 31 December 2022

7. Tangible fixed assets

	Land and Buildings Freehold £'000
Cost	
At 1 January 2022 and at 31 December 2022	4,600
Depreciation	
At 1 January 2022	1,344
Charge for the year	75
At 31 December 2022	1,419
Net book value	
At 31 December 2022	3,181
At 31 December 2021	3,256

Freehold Land of £2,200k is included which is not depreciated (2021: £2,200k).

8. Fixed asset investments

	2022 £'000	2021 £'000
Subsidiary undertakings	-	8,795

The investment in Pegler Limited was written off during 2022, as part of a project to simplify the group structure Pegler Limited was liquidated.

Subsidiary undertakings have not been consolidated by Pegler Holdings Limited as permitted by s.401 of the Companies Act 2006 as they are consolidated in the financial statements of Aalberts N.V.. The employees of Pegler Limited were transferred to Aalberts Integrated Piping Systems Limited on 1st July 2021.

Pegler Holdings Limited

Notes to the financial statements For the year ended 31 December 2022

9. Debtors due within one year

	2022 £'000	2021 £'000
Amounts owed by group undertakings	39,784	38,572
	<u>39,784</u>	<u>38,572</u>

Amounts owed by group undertakings carry no security or interest and are payable on demand.

10. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed to group undertakings	16,840	16,840
Corporation tax	-	147
	<u>16,840</u>	<u>16,987</u>

The amounts owed to group undertakings are interest free, carry no security against them and are repayable on demand.

11. Called-up share capital and reserves

	2022 £'000	2021 £'000
Allotted, called-up and fully-paid 200,000 ordinary shares of £1 each	200	200

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

12. Subsequent events

On the 27 March the Company received £19m from Aalberts France BV in respect of the repayment of an outstanding inter-company loan balance. The directors proposed and paid an Interim dividend of £19.5m to Aalberts U.K Limited on 26 April 2023.

Pegler Holdings Limited

Notes to the financial statements **For the year ended 31 December 2022**

13. Related party transactions

The Company is exempt under the terms of section 33 of FRS 102 from disclosing related party transactions with entities that are part of, or investees in, the Aalberts N.V. Group. There were no transactions with other related parties during the year.

No directors were remunerated by the Company, the director's are remunerated by another group Company for services to the group as a whole and it is not possible to attribute this to the company.

14. Controlling party

The Company's immediate parent undertaking is Aalberts UK Ltd, a Company incorporated in the United Kingdom.

The ultimate parent undertaking and controlling party is Aalberts N.V., which is a Company incorporated in the Netherlands and is the parent undertaking of the smallest and largest Group to consolidate these financial statements. The consolidated financial statements of this Company are available to the public and may be obtained from:

Aalberts N.V
World Trade Center
PO Box 1218
NL – 3500 BE
Utrecht
The Netherlands.