

FASSET LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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FASSET LIMITED

COMPANY INFORMATION

Directors	S Perkins P Bean (appointed 16 May 2022) D J Smith (resigned 13 January 2022)
Company secretary	S Perkins
Registered number	05422389
Registered office	Peat House 1 Waterloo Way Leicester United Kingdom LE1 6LP
Bankers	HSBC P.O. Box 105 33 Park Row Leeds United Kingdom LS1 1LD

FASSET LIMITED

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FASSET LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Company throughout the current and prior year was the provision of landlord services.

Business review

The Company continued to trade and generate profit in line with Directors' expectations throughout the year.

Results and dividends

The profit for the year, after taxation, amounted to £633k (2021 £601k).

No dividends were paid during the current period (2021 - £nil). The Directors do not recommend the payment of a final dividend (2021 - £nil).

Directors

The Directors who served during the year and to the date of this report were:

S Perkins
P Bean (appointed 16 May 2022)
D J Smith (resigned 13 January 2022)

Qualifying third party indemnity provisions

In accordance with the Articles of Association and to the extent permitted by the laws of England and Wales, the Directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office. In respect of those matters for which the Directors may not be indemnified, the Company maintained a directors' and officers' liability third party insurance policy throughout the financial year and up to the date of approval of these financial statements. Neither the indemnity nor the insurance provides cover in the event that a Director is proven to have acted dishonestly or fraudulently. No claim was made under this policy during the year.


Post balance sheet events

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

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A and 414B of the Companies Act 2006.

This report was approved by the Board and signed on its behalf by:


.....
S Perkins
Director

Date: 20 September 2023

FASSET LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FASSET LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Turnover		6,898	7,667
Cost of sales		(6,061)	(6,583)
Gross profit		<u>837</u>	<u>1,084</u>
Administrative expenses		(134)	(449)
Exceptional costs		-	(54)
Other operating income		-	23
Operating profit		<u>703</u>	<u>604</u>
Tax on profit		(70)	(3)
Profit for the financial year		<u><u>633</u></u>	<u><u>601</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account.

There was no other comprehensive income for 2022 (2021 - £nil) and hence no Statement of Comprehensive Income is presented.

The notes on pages 7 to 17 form part of these financial statements.

FASSET LIMITED
REGISTERED NUMBER: 05422389

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Non-current assets			
Debtors More Than One Year	6	29	20
		<u>29</u>	<u>20</u>
Current assets			
Debtors: amounts falling due within one year	6	3,041	2,136
Cash at bank and in hand		226	248
		<u>3,267</u>	<u>2,384</u>
Creditors: amounts falling due within one year	7	(2,013)	(1,754)
Net current assets		<u>1,254</u>	630
Total assets less current liabilities		<u>1,283</u>	<u>650</u>
Net assets		<u><u>1,283</u></u>	<u><u>650</u></u>
Capital and reserves			
Called up share capital		598	598
Profit and loss account		685	52
		<u>1,283</u>	<u>650</u>

FASSET LIMITED
REGISTERED NUMBER: 05422389

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

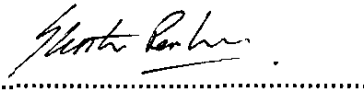
For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

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

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



S Perkins
Director

Date: 20 September 2023

The notes on pages 7 to 17 form part of these financial statements.

FASSET LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	598	1,644	2,242
Profit for the year	-	601	601
Distribution of reserves	-	(2,193)	(2,193)
At 1 January 2022	598	52	650
Profit for the year	-	633	633
At 31 December 2022	598	685	1,283

The notes on pages 7 to 17 form part of these financial statements.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Company's registered number is 05422389. The address of its registered office is Peat House, 1 Waterloo Way, Leicester, England, LE1 6LP.

The Company is a wholly owned subsidiary of Fasset Holdings Limited ("the Parent") whose ultimate parent company is Samuch Topco Limited. These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the Group accounts of Samuch Topco Limited. These accounts are available to the public and can be obtained as set out in note 12.

The principal activity of the Company throughout the current and prior period was the provision of landlord services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The functional currency of the Company is considered to be British Pound Sterling (£) as that is the currency of the primary economic environment in which the Company operates.

The following principal accounting policies have been applied:

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirement of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources to disclose the operating and investing cash flows arising from the exploration for and evaluation of mineral resources (when applying this standard in accordance with paragraph 34.11 of FRS 102).

This information is included in the consolidated financial statements of Samuch Topco Limited as at 31 December 2022 and these financial statements may be obtained from 1st Floor, 2 Park Street, London, Greater London, United Kingdom, W1K 2HX..

2.3 Changes in accounting policy and disclosures

During the period there were no new significant or material changes to existing accounting policies or standards, or new standards introduced that would impact these financial statements.

Future changes to standards

At the date of signing these financial statements, the following Standards and Interpretations, which have not been applied in these financial statements, were in issue but not yet effective.

Amendments:

IAS 1 Presentation of Financial Statements (January 2020, July 2020, February 2021)

IAS 12 Income Taxes (May 2021)

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Going concern

After making due enquiries, the Board has a reasonable expectation that the Company has adequate resources to continue in operations for the foreseeable future, evidenced by the strong net asset position of the business.

In reaching this conclusion the Board has considered the financial position of the Group and its funding facilities. The Board has also undertaken a review of the Group's forecasts and associated risks and sensitivities. In addition the Board recognises that the UK continues to experience uncertainty around scale of future inflation and interest rate risks providing difficult circumstances in which to forecast.

The Group made a profit before exceptional items, interest, tax, depreciation, and amortisation in 2022 and continues to trade profitably into FY23. Liquidity was protected giving a consolidated cash balance as at 31st December 2022 of £8.5m. The Group continues to trade strongly through its various business lines and is currently 20% up year-on-year on a like for like basis.

The Group went through a change of ownership in November 2021 and as part of that transaction raised new finance and re-set banking covenants. The new financing arrangements were provided by existing lenders showing continued support for the Group. Covenant tests have been passed throughout FY22 with an average EBITDAE headroom of 38.6%. Forecasts suggest an average headroom on the leverage covenant of £2.9m over the next 12 months and it will require EBITDAE underperformance of 14% for the covenants to be breached (excluding the impact of future acquisitions). The Directors do not deem this to be likely as the Group has underlying recurring profits underpinned by long-term public-sector contracts – in addition to a strong pipeline of new business. The loan facilities are not due to be repaid until 2028.

Finally, the Board has assessed the ability of the Company to repay its liabilities should a sale of the Group or its subsidiary undertakings take place within 12 months of signing these accounts, as this would trigger repayment clauses in the external debt facilities. The Board has concluded that such a sale would generate sufficient proceeds to repay the debt, and as such will have no impact on the ability of the Company or Group to continue as a going concern.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant and machinery	- 3 to 10 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.13 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions, when the instrument expires or when it is cancelled. Financial instruments are classified as cash and cash equivalents, trade and group receivables, trade payables, and other payables (excluding taxes). Non-derivative financial assets are categorised as "loans and receivables" and non-derivative financial liabilities are categorised as "other financial liabilities".

Other financial liabilities

Other financial liabilities, as categorised above, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 6 for further information about the Company's accounting for trade receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the asset has incurred an expected credit loss. Changes in the carrying amount of the receivable are recognised in the income statement.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

3. Critical accounting 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 amounts 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 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.

There are no critical accounting judgements and no estimates or assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future periods.

FASSET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Employees

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Employees	83	95

5. Tangible fixed assets

	Plant and machinery £000
Cost or valuation	
At 1 January 2022	247
At 31 December 2022	247
Depreciation	
At 1 January 2022	247
At 31 December 2022	247
Net book value	
At 31 December 2022	-
At 31 December 2021	-

FASSET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Debtors

	2021 £000	2021 £000
Due after more than one year		
Deferred tax asset	29	20
	<u>29</u>	<u>20</u>
	2022 £000	2021 £000
Due within one year		
Trade debtors	724	1,560
Amounts owed by group undertakings	577	-
Other debtors	48	47
Prepayments and accrued income	1,692	505
Deferred taxation	-	24
	<u>3,041</u>	<u>2,136</u>

All trade and other debtor balances at the balance sheet date are denominated in pound sterling (£). Given the short term nature there is deemed to be no difference between this and their fair value.

Trade debtors amounting to £724k (2021 - £1,560k) are less than 3 months past due. Trade and other debtors which are less than 3 months past due are not considered impaired unless specific information indicates otherwise. Trade and other receivables greater than 3 months are considered for recoverability, and where appropriate, a provision against bad debt is recognised.

Amounts owed by group undertakings due within one year relate to trading balances, are payable within 3 months of the year end date and do not attract interest. These trading balances arise from the day-to-day activity and trading between Group companies.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	360	179
Amounts owed to group undertakings	3	290
Corporation tax	1	-
Other taxation and social security	104	319
Other creditors	79	183
Accruals and deferred income	1,466	783
	<u>2,013</u>	<u>1,754</u>

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. There is deemed to be no difference between the carrying value and the fair value of the Company's Trade and Other Payables.

Amounts owed to group undertakings due within one year relate to trading balances, are payable within 3 months of the year end date and do not attract interest. These trading balances arise from the day-to-day activity and trading between Group companies.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Deferred taxation

	2022 £000
At beginning of period	44
Utilised in period	(15)
At end of period	29

The deferred tax asset is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	29	44
	29	44

9. Contingent liabilities

At 31 December 2022 there were no contingent liabilities (2021 - £nil).

10. Financial instruments

Applicable Financial instruments are not required to be disclosed under Financial Reporting Standard 102, Section 11.

11. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102, Section 33.

FASSET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Controlling party

The Company's immediate parent undertaking is Fasset Holdings Limited, a company registered in England and Wales. The registered address of the immediate parent company is Peat House, 1 Waterloo Way, Leicester, LE1 6LP.

The Company's ultimate parent undertaking, which is the parent undertaking of the largest and only group to consolidate these financial statements and controlling party is Samuch Topco Limited. Copies of the ultimate parent's consolidated Financial Statements may be obtained from The Company Secretary, Samuch Topco Limited, the registered address of which is 1st Floor, 2 Park Street, London, Greater London, United Kingdom, W1K 2HX.

The ultimate parent company and controlling party is a private equity investment fund advised by an affiliate of Sun Capital Partners, Inc., incorporated outside UK, 5200 Town Center Circle, 4th Floor, Boca Raton, FL 33486, USA, due to their holding of 100% of the A shares issued at the period end of Samuch Topco Limited. This constitutes an overall shareholding of 93.12% with the remaining 6.88% owned by management.

13. Post balance sheet events

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