

COMPANY REGISTRATION NUMBER: 11929634

PBSI Holdings Limited
Financial Statements
30 June 2020

UHY HACKER YOUNG
Chartered Accountants & Statutory Auditor
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN



PBSI Holdings Limited

Financial Statements

Period from 5 April 2019 to 30 June 2020

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PBSI Holdings Limited

Strategic Report

Period from 5 April 2019 to 30 June 2020

Although this is the first year of existence for this Company, and therefore this group, the business has in fact traded for many years, as PBSI Group Limited, which consisted of two divisions, P&B Switchgear and P&B Protection Relays, both of which are based at the head office in Manchester. The Group also includes the only trading subsidiary, P&B Relays and Services India Private Limited, which is based in Pune.

Both this Company and the Indian Subsidiary have improved turnover during the year. In the final 3 months of the Financial Year, during the COVID lockdown, our staff faced challenges in continuing production at previous levels.

As of July 2019, the Company acquired the share capital of PBSI Group Limited, via a share-for share exchange and therefore now heads the group, which also includes PBSI Investments Limited, an additional subsidiary which acts to manage the Group's investments.

Whilst exports have risen substantially, the Group is aware that the UK market is relatively modest. The Company continues to invest in its facilities and product developments. This should result in production efficiencies and a wider customer base.

On 26th June 2020, PBSI Group Limited, issued £21,000 of Ordinary Shares were issued out of accumulated reserves to 4 employees at a premium of £7,875.

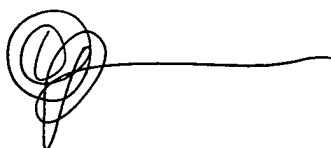
KEY PERFORMANCE INDICATORS

The Directors consider the following Key Performance Indicators to represent the performance of the Group during the year: (including trading as PBSI Group Limited previously)

	2020	2019
Turnover	£4,326m	£3,268m
Gross Margin	49.0%	43.4%

This report was approved by the board of directors on 31 March 2021 and signed on behalf of the board by:

Mr D Hampson
Director



Registered office:
Belle Vue Works
Boundary Street
Manchester
M12 5NG

PBSI Holdings Limited

Directors' Report *(continued)*

Period from 5 April 2019 to 30 June 2020

The directors present their report and the financial statements of the group for the period ended 30 June 2020.

Directors

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

Mr N A L Whitbread	(Appointed 5 April 2019)
Mr D Hampson	(Appointed 5 April 2019)
Mr P A York	(Appointed 5 April 2019)

Dividends

The directors do not recommend the payment of a dividend.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the
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PBSI Holdings Limited

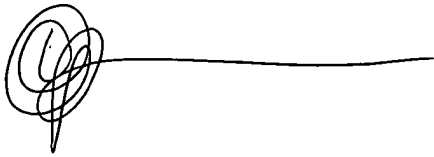
Directors' Report *(continued)*

Period from 5 April 2019 to 30 June 2020

company's auditor is unaware; and

- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 31 March 2021 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a circular loop followed by a horizontal line that tapers to the right.

Mr D Hampson
Director

Registered office:
Belle Vue Works
Boundary Street
Manchester
M12 5NG

PBSI Holdings Limited

Independent Auditor's Report to the Members of PBSI Holdings Limited

Period from 5 April 2019 to 30 June 2020

Opinion

We have audited the financial statements of PBSI Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 June 2020 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2020 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

PBSI Holdings Limited

Independent Auditor's Report to the Members of PBSI Holdings Limited *(continued)*

Period from 5 April 2019 to 30 June 2020

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 period 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
 - the parent company financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of directors' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit.
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PBSI Holdings Limited

Independent Auditor's Report to the Members of PBSI Holdings Limited *(continued)*

Period from 5 April 2019 to 30 June 2020

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 group's and the parent 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 group or the parent 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions
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PBSI Holdings Limited

Independent Auditor's Report to the Members of PBSI Holdings Limited *(continued)*

Period from 5 April 2019 to 30 June 2020

may cause the group or the parent company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

NICOLAUS JENKINS MA FCA (Senior Statutory Auditor)

For and on behalf of
UHY Hacker Young
Chartered accountants & statutory auditor
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

31 March 2021

PBSI Holdings Limited

Consolidated Statement of Comprehensive Income

Period from 5 April 2019 to 30 June 2020

		Period from 5 Apr 19 to 30 Jun 20 £
	Note	
Turnover	4	4,326,484
Cost of sales		2,204,630
Gross profit		2,121,854
Distribution costs		17,587
Administrative expenses		1,937,659
Operating profit	5	166,608
Income from other fixed asset investments	8	37,207
Other interest receivable and similar income	9	786
Interest payable and similar expenses	10	4,197
Profit before taxation		200,404
Tax on profit	11	(33,003)
Profit for the financial period		233,407
Revaluation of listed investments		(221,280)
Total comprehensive income for the period		12,127

All the activities of the group are from continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Consolidated Statement of Financial Position

30 June 2020

	Note	30 Jun 20 £
Fixed assets		
Tangible assets	12	1,481,552
Investments	13	1,376,512
		<u>2,858,064</u>
Current assets		
Stocks	14	826,135
Debtors	15	1,083,512
Cash at bank and in hand		303,876
		<u>2,213,523</u>
Creditors: amounts falling due within one year	16	<u>473,567</u>
Net current assets		<u>1,739,956</u>
Total assets less current liabilities		<u>4,598,020</u>
Creditors: amounts falling due after more than one year	17	<u>73,513</u>
Net assets		<u><u>4,524,507</u></u>
Capital and reserves		
Called up share capital	19	362,550
Revaluation reserve	20	215,468
Capital redemption reserve	20	482,430
Profit and loss account	20	3,435,184
Equity attributable to the owners of the parent company		<u>4,495,632</u>
Non-controlling interests		<u>28,875</u>
		<u><u>4,524,507</u></u>

These financial statements were approved by the board of directors and authorised for issue on 31 March 2021, and are signed on behalf of the board by:



Mr D Hampson
Director

Company registration number: 11929634

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Company Statement of Financial Position

30 June 2020

	Note	30 Jun 20 £
Fixed assets		
Investments	13	<u>2,062,550</u>
Total assets less current liabilities		<u><u>2,062,550</u></u>
 Capital and reserves		
Called up share capital	19	362,550
Profit and loss account		<u>1,700,000</u>
Shareholders funds		<u><u>2,062,550</u></u>

The profit for the financial period of the parent company was £1,700,000.

These financial statements were approved by the board of directors and authorised for issue on 31 March 2021, and are signed on behalf of the board by:



Mr D Hampson
Director

Company registration number: 11929634

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Consolidated Statement of Changes in Equity

Period from 5 April 2019 to 30 June 2020

	Called up share capital £	Revaluatio n reserve £	Capital redemptio n reserve £	Profit and loss account £	Equity attributabl e to the owners of the parent company £	Non- controlling interests £	Total £
At 5 April 2019	-	-	-	-	-	-	-
Acquired by way of business combination	-	215,468	482,430	3,423,057	4,120,955	-	4,120,955
Profit for the period				233,407	233,407	-	233,407
Other comprehensive income for the period:							
Revaluation of listed investments	-	-	-	(221,280)	(221,280)	-	(221,280)
Total comprehensive income for the period	-	-	-	12,127	12,127	-	12,127
Issue of shares	362,550	-	-	-	362,550	28,875	391,425
Total investments by and distributions to owners	362,550	-	-	-	362,550	28,875	391,425
At 30 June 2020	<u>362,550</u>	<u>215,468</u>	<u>482,430</u>	<u>3,435,184</u>	<u>4,495,632</u>	<u>28,875</u>	<u>4,524,507</u>

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Company Statement of Changes in Equity

Period from 5 April 2019 to 30 June 2020

	Called up share capital £	Profit and loss account £	Total £
At 5 April 2019	–	–	–
Profit for the period		1,700,000	1,700,000
Total comprehensive income for the period	–	1,700,000	1,700,000
Issue of shares	362,550	–	362,550
Total investments by and distributions to owners	362,550	–	362,550
 At 30 June 2020	 362,550	 1,700,000	 2,062,550

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Consolidated Statement of Cash Flows

Period from 5 April 2019 to 30 June 2020

	30 Jun 20 £
Cash flows from operating activities	
Profit for the financial period	233,407
<i>Adjustments for:</i>	
Depreciation of tangible assets	103,717
Income from other fixed asset investments	(37,207)
Other interest receivable and similar income	(786)
Interest payable and similar expenses	4,197
Tax on profit	(33,003)
Accrued expenses	193,434
<i>Changes in:</i>	
Stocks	(826,135)
Trade and other debtors	(1,083,512)
Trade and other creditors	243,810
Cash generated from operations	(1,202,078)
Interest paid	(4,197)
Interest received	786
Tax received	33,003
Net cash used in operating activities	<u>(1,172,486)</u>
Cash flows from investing activities	
Purchase of tangible assets	(200,993)
Purchases of other investments	(1,597,792)
Dividends received	37,207
Adjustment for net assets received on business combination	2,736,679
Net cash from investing activities	<u>975,101</u>
Cash flows from financing activities	
Proceeds from issue of ordinary shares	391,425
Payments of finance lease liabilities	109,836
Net cash from financing activities	<u>501,261</u>
Net increase in cash and cash equivalents	303,876
Cash and cash equivalents at beginning of period	<u>–</u>
Cash and cash equivalents at end of period	<u>303,876</u>

The notes on pages 14 to 25 form part of these financial statements.

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Belle Vue Works, Boundary Street, Manchester, M12 5NG.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of PBSI Holdings Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the period are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

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

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

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

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Plant and Machinery	- 10% straight line
Computer Equipment	- 25% straight line
Motor Vehicles	- 25% reducing balance

Freehold Property is not depreciated as, in the Directors' opinion, these assets have a useful economic life of more than 50 years.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

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

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

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

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

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

4. Turnover

Turnover arises from:

	Period from 5 Apr 19 to 30 Jun 20 £
Sale of goods	<u>4,326,484</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	Period from 5 Apr 19 to 30 Jun 20 £
United Kingdom	1,016,610
Overseas	<u>3,309,874</u>
	<u>4,326,484</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	Period from 5 Apr 19 to 30 Jun 20 £
Depreciation of tangible assets	103,717
Impairment of trade debtors	(1,006)
Foreign exchange differences	3,161
Fees payable for the audit of the financial statements	<u>7,500</u>

6. Staff costs

The average number of persons employed by the group during the period, including the directors, amounted to:

	30 Jun 20 No.
Production staff	58
Administrative staff	<u>8</u>
	<u>66</u>

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

	Period from 5 Apr 19 to 30 Jun 20 £
Wages and salaries	<u>1,961,147</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

7. Directors' remuneration

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

	Period from 5 Apr 19 to 30 Jun 20 £
Remuneration	213,297
Company contributions to defined contribution pension plans	39,815
	<u>253,112</u>

8. Income from other fixed asset investments

	Period from 5 Apr 19 to 30 Jun 20 £
Income from other fixed asset investments	<u>37,207</u>

9. Other interest receivable and similar income

	Period from 5 Apr 19 to 30 Jun 20 £
Interest on cash and cash equivalents	<u>786</u>

10. Interest payable and similar expenses

	Period from 5 Apr 19 to 30 Jun 20 £
Interest on debenture loans	246
Interest on obligations under finance leases and hire purchase contracts	3,951
	<u>4,197</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

11. Tax on profit

Major components of tax income

	Period from 5 Apr 19 to 30 Jun 20 £
Current tax:	
Adjustments in respect of prior periods	(33,003)
Tax on profit	<u>(33,003)</u>

12. Tangible assets

Group	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 5 April 2019	–	–	–	–	–
Additions	–	157,314	43,679	–	200,993
Acquisitions through business combinations	950,000	923,959	106,191	231,330	2,211,480
At 30 June 2020	<u>950,000</u>	<u>1,081,273</u>	<u>149,870</u>	<u>231,330</u>	<u>2,412,473</u>
Depreciation					
At 5 April 2019	–	–	–	–	–
Charge for the period	–	61,613	15,544	26,560	103,717
Accumulated depreciation through business combinations	–	616,483	85,633	125,088	827,204
At 30 June 2020	<u>–</u>	<u>678,096</u>	<u>101,177</u>	<u>151,648</u>	<u>930,921</u>
Carrying amount					
At 30 June 2020	<u>950,000</u>	<u>403,177</u>	<u>48,693</u>	<u>79,682</u>	<u>1,481,552</u>

The company has no tangible assets.

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

13. Investments

Group	Other investments other than loans £
Cost	
At 5 April 2019	–
Additions	1,597,792
Revaluations	(221,280)
At 30 June 2020	<u>1,376,512</u>
Impairment	
At 5 April 2019 and 30 June 2020	<u>–</u>
Carrying amount	
At 30 June 2020	<u>1,376,512</u>
Company	Shares in group undertakings £
Cost	
At 5 April 2019	–
Additions	2,062,550
At 30 June 2020	<u>2,062,550</u>
Impairment	
At 5 April 2019 and 30 June 2020	<u>–</u>
Carrying amount	
At 30 June 2020	<u>2,062,550</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
J Bonden (2004) Limited	Ordinary	100
Cubicle Enclosure Systems Limited	Ordinary	100
Enclosure Systems Engineering Limited	Ordinary	100
Multilink Control Systems Limited	Ordinary	100
"P. & B." Engineering Company Limited	Ordinary	100
Shakeshaft Panel Limited	Ordinary	100
Westminster Detectors (2004) Limited	Ordinary	100
P&B Relays and Services India PVT Ltd	Ordinary	100
PBSI Investments Limited	Ordinary	100
PBSI Group Limited	Ordinary	100

14. Stocks

	Group 30 Jun 20 £	Company 30 Jun 20 £
Raw materials and consumables	826,135	-

15. Debtors

	Group 30 Jun 20 £	Company 30 Jun 20 £
Trade debtors	884,043	-
Prepayments and accrued income	22,241	-
Corporation tax repayable	72,126	-
Other debtors	105,102	-
	<u>1,083,512</u>	<u>-</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

16. Creditors: amounts falling due within one year

	Group 30 Jun 20	Company 30 Jun 20
	£	£
Trade creditors	191,149	–
Accruals and deferred income	193,434	–
Social security and other taxes	52,661	–
Obligations under finance leases and hire purchase contracts	36,323	–
	<u>473,567</u>	<u>–</u>

17. Creditors: amounts falling due after more than one year

	Group 30 Jun 20	Company 30 Jun 20
	£	£
Obligations under finance leases and hire purchase contracts	<u>73,513</u>	<u>–</u>

18. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group 30 Jun 20	Company 30 Jun 20
	£	£
Not later than 1 year	36,323	–
Later than 1 year and not later than 5 years	<u>73,513</u>	<u>–</u>
	<u>109,836</u>	<u>–</u>

19. Called up share capital

Issued and called up

	No.	30 Jun 20 £
Ordinary shares of £0.20 each	<u>1,812,750</u>	<u>362,550</u>

PBSI Holdings Limited

Notes to the Financial Statements *(continued)*

Period from 5 April 2019 to 30 June 2020

20. Reserves

Revaluation Reserve – This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Capital Redemption Reserve – This reserve records the nominal value of shares repurchased by the company.

Profit and loss account – This reserve records retained earnings and accumulated losses.

21. Analysis of changes in net debt

	At 5 Apr 2019	Cash flows	At 30 Jun 2020
	£	£	£
Cash at bank and in hand	–	303,876	303,876
Debt due within one year	–	(36,323)	(36,323)
Debt due after one year	–	(73,513)	(73,513)
	<u>–</u>	<u>194,040</u>	<u>194,040</u>