

Box Holdco Limited

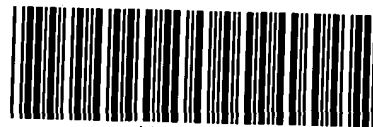
Annual Report and Financial Statements

Year Ended

31 March 2024

Company Number 13619869

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Box Holdco Limited

Company Information

Directors	R J Booth R Campbell C T Wright
Registered number	13619869
Registered office	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE
Independent auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

Box Holdco Limited

Strategic Report For the Year Ended 31 March 2024

The directors present their Strategic Report together with the audited financial statements for the year ended 31 March 2024. Box Holdco Limited is a wholly owned subsidiary of the Group headed by Box Topco Limited (the "Group").

Principal activity

The principal activity of the Company is that of a holding company.

Business review

The Company has continued to operate and perform satisfactorily in its activity of a holding company.

Principal risks and uncertainties

As a holding company a principal risk is the potential changes to the trading position of its subsidiaries resulting in a potential impairment. The board works closely with the management team to monitor and ensure there is a minimal effect on the financial position of the Company from a change in subsidiary performance.

Financial key performance indicators

The loss for the year, after taxation, amounted to £5,999,517 (2023 - £5,605,049).

The Company monitors the performance of subsidiary companies. As the Company is a holding company, the directors do not consider there to be any critical key performance indicators.

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



R Campbell
Director

Date: 18 December 2024

Box Holdco Limited

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Box Holdco Limited

Directors' Report For the Year Ended 31 March 2024

The directors present their report together with the audited financial statements for the year ended 31 March 2024.

Results and dividends

The loss for the year, after taxation, amounted to £5,999,517 (2023 - £5,605,049).

No dividends were paid during the year (2023 - £Nil). The directors do not recommend payment of a final dividend (2023 - £Nil).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R J Booth
R Campbell
C T Wright

Going concern

As at 31 March 2024, the Company had net current assets of £105,389,482 (2023 - £97,382,499) but net liabilities of £12,796,868 (2023 - £6,797,351). The directors have considered the application of the going concern basis of accounting. In making this assessment the directors have considered the written confirmation from Box Topco Limited to provide financial support to the Company in its conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements. The directors, having assessed the financial position of Box Topco Limited, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus the going concern basis of accounting has been adopted in preparing the financial statements.

Future developments

The Company will continue as a holding company and continue to support Group companies.

On 14 May 2024, the Company's indirect subsidiary Box DT USA Inc acquired the entire share capital of Hydro Flow Holdings LLC, a USA based company, who through their brand, Hose Monster, provide equipment for testing fire pumps and fire hydrants.

Qualifying third party indemnity provisions

The ultimate parent company of the Group, Box Topco Limited made qualifying third party provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Box Holdco Limited

Directors' Report (continued) For the Year Ended 31 March 2024

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



R Campbell
Director

Date: 18 December 2024

Box Holdco Limited

Directors' Responsibilities Statement For the Year Ended 31 March 2024

The directors are responsible for preparing the Strategic Report, 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, they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework. 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 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.

Box Holdco Limited

Independent Auditor's Report to the Members of Box Holdco Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Box Holdco Limited ("the Company") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and notes to the financial statements, 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 Financial Reporting Standard 101 Reduced Disclosure Framework (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

Box Holdco Limited

Independent Auditor's Report to the Members of Box Holdco Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our Auditor's Report thereon. 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.

Other Companies Act 2006 reporting

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 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, 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
- 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.

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.

Box Holdco Limited

Independent Auditor's Report to the Members of Box Holdco Limited (continued)

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.

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- our understanding of the Company and the industry in which it operates;
- discussion with management and those charged with governance; and
- obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice); the Companies Act 2006 and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety Regulation (Health and Safety at work) Act 1974; the Data Protection Act 2018; the Modern Slavery Act 2015; the Bribery Act 2010 and the Money Laundering Regulations 2017.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation; and
- involvement of tax specialists in the audit.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Company's policies and procedures relating to:
 - detecting and responding to the risks of fraud; and
 - internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Box Holdco Limited

Independent Auditor's Report to the Members of Box Holdco Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

Fraud (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- testing a sample of transactions throughout the year, by agreeing to supporting documentation.


We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

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.

DocuSigned by:

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Michael Philp (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

Date: 19 December 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Box Holdco Limited

Statement of Comprehensive Income For the Year Ended 31 March 2024

	Note	2024 £	2023 £
Administrative expenses		(15,075)	(7,250)
Operating loss		(15,075)	(7,250)
Interest receivable and similar income	6	10,697,241	9,686,380
Interest payable and similar expenses	7	(14,227,711)	(12,790,785)
Loss before taxation		(3,545,545)	(3,111,655)
Tax on loss	8	(2,453,972)	(2,493,394)
Loss for the financial year		(5,999,517)	(5,605,049)

There was no other comprehensive income for 2024 (2023 - £Nil).

All amounts relate to continuing activities.

The notes on pages 12 to 22 form part of these financial statements.

Box Holdco Limited
Registered number:13619869

Balance Sheet
As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	9	1	1
Current assets			
Debtors: amounts falling due after more than one year	10	4,609,522	4,094,194
Debtors: amounts falling due within one year	10	113,068,005	102,921,421
		<u>117,677,527</u>	<u>107,015,615</u>
Creditors: amounts falling due within one year	11	(12,288,045)	(9,633,116)
Net current assets		<u>105,389,482</u>	97,382,499
Total assets less current liabilities		<u>105,389,483</u>	<u>97,382,500</u>
Creditors: amounts falling due after more than one year	12	(118,186,351)	(104,179,851)
Net liabilities		<u>(12,796,868)</u>	<u>(6,797,351)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	(12,796,869)	(6,797,352)
Total deficit		<u>(12,796,868)</u>	<u>(6,797,351)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2024



R Campbell
Director

The notes on pages 12 to 22 form part of these financial statements.

Box Holdco Limited

Statement of Changes in Equity For the Year Ended 31 March 2024

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2023	1	(6,797,352)	(6,797,351)
Comprehensive loss for the year			
Loss for the year	-	(5,999,517)	(5,999,517)
Total comprehensive loss	-	(5,999,517)	(5,999,517)
At 31 March 2024	1	(12,796,869)	(12,796,868)

Statement of Changes in Equity For the Year Ended 31 March 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	1	(1,192,303)	(1,192,302)
Comprehensive loss for the year			
Loss for the year	-	(5,605,049)	(5,605,049)
Total comprehensive loss	-	(5,605,049)	(5,605,049)
At 31 March 2023	1	(6,797,352)	(6,797,351)

The notes on pages 12 to 22 form part of these financial statements.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

1. General information

Box Holdco Limited is a private company, limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Strategic Report.

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 101 'Reduced Disclosure Framework' ("FRS 101") and the Companies Act 2006.

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

The presentation and functional currency of these accounts is GBP. The level of rounding is to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the Group accounts of Box Topco Limited. The Group accounts of Box Topco Limited are prepared in accordance with UK adopted International Accounting Standards and are available to the public from Companies House.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.3 New standards, interpretations and amendments adopted from 1 April 2023

The following new standards and amendments are effective for the period beginning 1 April 2023:

- IFRS 17 insurance contracts;
- disclosure of accounting policies (amendments to IAS 1 presentation of financial statements and IFRS practice statement 2 making materiality judgements);
- definition of accounting estimates (amendments to IAS 8 accounting policies, changes in accounting estimates and errors);
- deferred tax related to assets and liabilities arising from a single transaction (amendments to IAS 12 income taxes); and
- international Tax reform – pillar 2 model rules (amendment to IAS 12 income taxes).

None of these new standards or amendments had any impact on the Company's financial statements for the year ended 31 March 2024.

2.4 Exemption from preparing consolidated financial statements

The financial statements contain information about Box Holdco Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the UK consolidated accounts of Box Topco Limited.

2.5 Going concern

As at 31 March 2024, the Company had net current assets of £105,389,482 (2023 - £97,382,499) but net liabilities of £12,796,868 (2023 - £6,797,351). The directors have considered the application of the going concern basis of accounting. In making this assessment the directors have considered the written confirmation from Box Topco Limited to provide financial support to the Company in its conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements. The directors, having assessed the financial position of Box Topco Limited, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus the going concern basis of accounting has been adopted in preparing the financial statements.

2.6 Interest receivable and similar income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.8 Taxation

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 reporting 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 reporting 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

No deferred tax has been recognised for the year (2023 - £Nil).

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Financial assets

The Company classifies its financial assets into one of the categories below, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

The Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

The Company's financial assets measured at amortised cost comprise amounts owed by related parties and other debtors.

Financial assets at amortised cost include financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.10 Financial assets (continued)

Amortised cost (continued)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

2.11 Financial liabilities

The Company recognises financial liabilities when the Company becomes a party to the contractual provisions of the instruments. The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company does not have any liabilities held for trading nor does it voluntarily classify any financial liabilities as being at fair value through profit or loss. The Company's accounting policy for each category is as follows:

- Loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Balance Sheet. Interest expense in this context includes initial transaction costs and premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.
- Other short-term monetary liabilities, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

2.12 Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

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 amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the year of the revision and future periods if the revision affects both current and future periods.

In preparing these financial statements, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period are discussed below:

- Impairment of the amounts owed by related parties (note 10)

Determine whether there are any indications of impairment of the amounts owed by related parties. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	6,500	-
Fees payable to the Company's previous auditor for the audit of the Company's financial statements	-	2,250
	<u> </u>	<u> </u>

5. Directors' remuneration

The Company incurred no staff costs in the current or prior year and accordingly no compensation was paid to key management personnel in the year. The directors were remunerated by Box Bidco Limited.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

6. Interest receivable and similar income

	2024 £	2023 £
Interest receivable from group companies (note 10)	<u>10,697,241</u>	<u>9,686,380</u>

7. Interest payable and similar expenses

	2024 £	2023 £
Interest payable to group undertakings (note 11)	279,339	252,025
Interest on loan notes (note 12)	13,361,436	11,858,811
Amortisation of issue costs (note 12)	586,936	679,949
	<u>14,227,711</u>	<u>12,790,785</u>

8. Taxation

	2024 £	2023 £
Current tax		
UK corporation tax on losses for the current year	-	237,765
Adjustments in respect of prior periods - group relief	-	831,435
Group relief payable	2,453,972	1,424,194
Total taxation on loss on ordinary activities	<u>2,453,972</u>	<u>2,493,394</u>

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 19%). The differences are explained below:

	2024 £	2023 £
Loss on ordinary activities before tax	<u>(3,545,545)</u>	<u>(3,111,655)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	(886,386)	(591,214)
Effects of:		
Expenses not deductible for tax purposes	2,601,441	1,691,596
Movement in deferred tax not recognised	738,917	561,577
Adjustments in respect of prior periods - group relief	-	831,435
Total tax charge for the year	<u><u>2,453,972</u></u>	<u><u>2,493,394</u></u>

Changes to corporation tax rate

The main corporation tax rate increased from 19% to 25% with effect from 1 April 2023.

Factors that may affect future tax charges

No deferred tax has been recognised in respect of accrued interest of £7,433,899 (2023 - £4,478,231) that may potentially become tax deductible as the timing and level of tax deductibility is uncertain.

9. Investments

	Investments in subsidiary companies £
Cost	
At 1 April 2023 and 31 March 2024	<u><u>1</u></u>

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

9. Investments (continued)

As at 31 March 2024, the directors are of the opinion that the recoverable amounts of the Company's investments are not less than their book value.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Box Midco Limited	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE	Holding company	Ordinary	100%
Box Bidco Limited*	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE	Holding company	Ordinary	100%
Box Hedgeco Limited*	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE	Holding company	Ordinary	100%
No Climb Products Limited*	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE	Specialised engineering company	Ordinary	100%
Sata Limited*	Edison House 163 Dixons Hill Road Welham Green Hertfordshire AL9 7JE	Dormant	Ordinary	100%
Box DT USA Inc*	3535 State Route 66, STE 6, Neptune NJ 07753-2624, United States of America	Holding company	Ordinary	100%
Systems Distributors, LLC*	3535 State Route 66, STE 6, Neptune NJ 07753-2624, United States of America	Specialised engineering company	Ordinary	100%
HSI Fire & Safety Group, LLC*	107 Garlish Drive, Elk Grove Village, Illinois, United States of America	Distributor	Ordinary	100%

* Indirectly held

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

10. Debtors

	2024 £	2023 £
Due after more than one year		
Amounts owed by group undertakings	3,423,908	3,423,908
Interest on amounts owed by group undertakings	1,185,614	670,286
	4,609,522	4,094,194

Amounts owed by group undertakings consist of unsecured loan notes. The loan notes accrue interest at a rate of 12% per annum which is compounded quarterly and are due for repayment on 25 September 2027.

	2024 £	2023 £
Due within one year		
Amounts owed by group undertakings	180,099	130,773
Amounts owed by subsidiary undertakings	88,977,521	89,062,177
Interest on amounts owed by subsidiary undertakings	23,909,985	13,728,071
Other debtors	400	400
	113,068,005	102,921,421

Included within amounts owed by subsidiary undertakings is a loan of £87,800,000 (2023 - £87,800,000) and accrues interest at a rate of 10% which is compounded annually. The remaining balances included within amounts owed by subsidiary undertakings are interest free. All amounts owed by subsidiary undertakings are unsecured and repayable on demand. The Company does not anticipate needing to recall any amounts owed by subsidiary undertakings in the next 12 months.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

11. Creditors: amounts falling due within one year

	2024 £	2023 £
Loan notes - principal	1,104,678	1,104,678
Amounts owed to group undertakings	10,653,925	7,990,168
Interest on amounts owed to group undertakings	519,467	298,255
Corporation tax	-	237,765
Accruals	9,975	2,250
	<u>12,288,045</u>	<u>9,633,116</u>

Loan notes of £1,104,678 (2023 - £1,104,678) are unsecured, interest free and repayable on demand.

Included in amounts owed to group undertakings is a loan of £1,907,536 (2023 - £1,907,536) which accrues interest at a rate of 10% which is compounded annually. The remaining balances included within amounts owed to group undertakings is interest free. All amounts owed to group undertakings are unsecured and repayable on demand.

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

	2024 £	2023 £
Loan notes - principal	87,276,524	86,689,588
Loan notes - interest	30,909,827	17,490,263
	<u>118,186,351</u>	<u>104,179,851</u>

Principal loan notes are unsecured and consist of the following:

- £89,316,371 (2023 - £89,316,371) which accrue interest at rates of 6% and 12% per annum and are due for repayment on 25 September 2027; and
- unamortised issue costs totalling £2,039,847 (2023 - £2,626,783) have been deducted from the carrying value of the loan notes. Issue costs are being charged to profit or loss as part of the interest charge using the effective interest rate method.

From 1 October 2023, £614,357 of loan notes accrued interest at 6% per annum. Interest continues to be accrued at 12% on the remaining balance of loan notes.

Box Holdco Limited

Notes to the Financial Statements For the Year Ended 31 March 2024

13. Called up share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
1 (2023 - 1) Ordinary share of £1	1	1

The Ordinary share has attached to it full voting, dividend and capital distribution (including on winding up) rights. It does not confer any rights of redemption.

14. Reserves

The Company's reserves are as follows:

Profit and loss account

Cumulative net gains and losses recognised in profit or loss, net of dividends paid.

15. Related party transactions

The Company has taken advantage of the exemption conferred by FRS 101 section 8(k) not to disclose transactions with other wholly owned subsidiaries within the Group headed by Box Topco Limited.

6% and 12% loan notes

As at 31 March 2024, the Group headed by Inflexion Master GP Guernsey Limited held £85,892,463 (2023 - £85,892,463) loan notes. Interest totalling £29,747,995 has been accrued on the loan notes as at 31 March 2024 (2023 - £16,819,802). The interest expense charged to profit or loss during the year was £12,928,193 (2023 - £11,453,735).

As at 31 March 2024, Key management of the Group and directors of the Company held £3,037,695 (2023 - £3,037,695) loan notes. Interest totalling £1,028,096 has been accrued on the loan notes as at 31 March 2024 (2023 - £594,853). The interest expense on these loans notes charged to profit or loss during the year was £433,243 (2023 - £405,076).

0% loan notes

As at 31 March 2024, the Group headed by Inflexion Master GP Guernsey Limited held £1,104,678 (2023 - £1,104,678) loan notes.

16. Controlling party

The immediate and ultimate parent company is Box Topco Limited. The registered office of Box Topco Limited is Edison House, 163 Dixons Hill Road, Welham Green, Hertfordshire, AL9 7JE.

The smallest and largest group in which the results of the Company are consolidated is that of Box Topco Limited. The consolidated financial statements of Box Topco Limited are available from Companies House.

The directors consider the Company to be controlled by funds advised by Inflexion Private Equity Partners.