

**WREN BUYERCO LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2019**



## **WREN BUYERCO LIMITED**

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## **WREN BUYERCO LIMITED**

### **Company Information**

#### **Directors**

F Dekker  
J O'Neill  
J Fish  
G Fitzgerald  
S McMinnies  
D Mantzouridis

#### **Registered number**

09594357

#### **Registered office**

32 Crown Road  
Enfield  
England  
EN1 1TH

#### **Independent auditor**

Deloitte LLP  
Statutory Auditor  
Crawley  
RH10 9AD  
United Kingdom

## **WREN BUYERCO LIMITED**

### **Strategic Report For the Year Ended 31 March 2019**

#### **Introduction**

The Directors present their Strategic Report for Wren Buyerco Limited ("the Company") for the year ended 31 March 2019.

#### **Business review**

The Company is an intermediate holding company in a group of companies of which Wren Topco Limited is the ultimate parent company ("the Group").

#### **Future developments**

It is intended that the Company remains as an intermediate holding company of the Group for the foreseeable future.

#### **Principal risks and uncertainties**

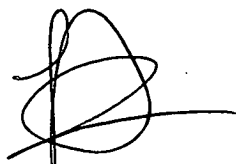
The Directors consider that the principal risks and uncertainties arising for the Company are associated with those of its subsidiary undertaking, Ardent Hire Solutions Limited. These risks and uncertainties are set out in the financial statements of this subsidiary undertaking. Based on our current assessment of the impact of Brexit on the Company, in the event of the UK not securing a deal with the European Union we anticipate that there will not be a material impact on the Company.

#### **Financial key performance indicators**

The loss for the period was £10,090,074 (2018: £8,148,717)

Given the simple nature of the Company's activities, the Directors do not consider it necessary to provide an analysis of performance using key performance indicators.

This report was approved by the Board of Directors on 26 September 2019 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'J O'Neill', written over a horizontal line.

**J O'Neill**  
Director

## **WREN BUYERCO LIMITED**

### **Directors' Report For the Year Ended 31 March 2019**

The Directors present their report and the audited financial statements for the year ended 31 March 2019.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 judgments 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.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £10,090,074 (2018: loss £8,148,717).

The Directors do not propose the payment of a dividend (2018: £nil).

#### **Directors**

The Directors who served during the year and up to the date of approval of the financial statements unless otherwise indicated, were:

F Dekker  
J O'Neill  
J Fish  
G Fitzgerald  
S McMinnies  
D Mantzouridis  
T Gleeson (resigned on 29 June 2018)

## **WREN BUYERCO LIMITED**

### **Directors' Report (continued) For the Year Ended 31 March 2019**

#### **Going concern**

Wren Buyerco Limited is a subsidiary within the Wren Topco group ("the Group") and therefore the Directors consider that its financial position and forecast are inherently linked to that of the Group as whole.

The group posted a consolidated operating profit of £2,687,000 for the year to 31 March 2019 (2018: £1,008,000) and has net liabilities of £40,985,000 (2018: £28,396,000) and net current liabilities of £7,996,000 (2018 net current liabilities: £9,847,000). The Directors have considered the financial position of the Company and the Group and the Group's forecast and concluded that it is appropriate to prepare the financial statements on a going concern basis.

The Group has total available Asset Backed Lending ("ABL") facilities of £150m in addition to other sources of funds including shareholder debt. The Directors have considered the Group's board-approved forecasts which show that the Group will be able to operate within its currently available facilities for the 18 month period of the forecast to September 2020.

In reaching their decision to prepare the financial statements on a going concern basis, the Directors have considered the above factors in the context of the current economic climate. The Directors have also considered reasonably possible downside trading scenarios, and have identified mitigating actions that they would be able to implement to ensure that the Group is able to continue to operate within its existing banking facilities and covenant requirements for the forecast period. As a result, the financial statements have been prepared on a going concern basis. On the basis of this conclusion within the Group financial statements, the Directors consider that it is appropriate to prepare the financial statements of Wren Buyerco Limited on a going concern basis.

The Company is also in receipt of a letter of financial support from Wren Topco Limited.

Future developments are commented on in the Strategic Report.

#### **Financial risk management**

The Company holds and uses financial instruments to finance its operations and manage its interest rate and liquidity risks.

#### **Qualifying third party indemnity provisions**

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

#### **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 that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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.

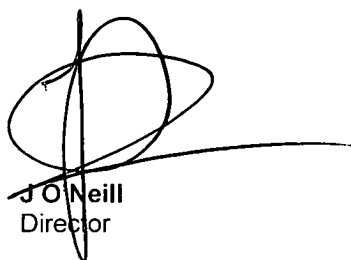
This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

**WREN BUYERCO LIMITED**  
**Directors' Report (continued)**  
**For the Year Ended 31 March 2019**

**Post balance sheet events**

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

This report was approved by the Board on 26 September 2019 and signed on its behalf by



**J O'Neill**  
Director

## **WREN BUYERCO LIMITED**

### **Independent auditor's report to the members of Wren Buyerco Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Wren Buyerco Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 19.

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 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. 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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 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.

We have nothing to report in respect of these matters.

##### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

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 respect of these matters.



## **WREN BUYERCO LIMITED**

### **Independent auditor's report to the members of Wren Buyerco Limited**

#### **Responsibilities of directors**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

##### **Matters on which we are required to report by exception**

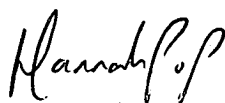
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



26 September 2019  
Hannah Pop FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Crawley, UK

**WREN BUYERCO LIMITED**

**Statement of Comprehensive Income  
For the Year Ended 31 March 2019**

		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Administrative expenses		(2,721,512)	(2,725,692)
Other operating income	4	-	1,211,677
<b>Operating loss</b>		<b>(2,721,512)</b>	<b>(1,514,015)</b>
Finance costs	8	(7,368,562)	(6,634,702)
<b>Loss before tax</b>		<b>(10,090,074)</b>	<b>(8,148,717)</b>
Tax	9	-	-
<b>Loss for the year and total comprehensive loss for the year</b>		<b>(10,090,074)</b>	<b>(8,148,717)</b>

There were no recognised gains and losses for the year ended 31 March 2019 other than those included in the Statement of Comprehensive Income.

The notes on pages 11 to 20 form part of these financial statements.

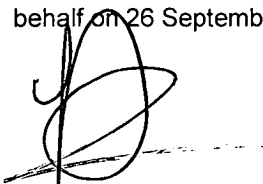
**WREN BUYERCO LIMITED**

Registered number: 09594357

**Statement of Financial Position  
As at 31 March 2019**

		2019	2018
	Note		£
<b>Non-current assets</b>			
Investments	10	93,874,319	93,874,319
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	11	135,160	135,160
		135,160	135,160
Creditors: amounts falling due within one year	12	(54,958,005)	(52,827,167)
<b>Net current liabilities</b>		(54,822,845)	(52,692,007)
<b>Total assets less current liabilities</b>		39,051,474	41,182,312
Creditors: amounts falling due after more than one year	13	(74,575,998)	(66,616,762)
<b>Net liabilities</b>		(35,524,524)	(25,434,450)
<b>Capital and reserves</b>			
Share capital	16	-	-
Share premium account	17	2	2
Retained earnings	17	(35,524,526)	(25,434,452)
		(35,524,524)	(25,434,450)

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 26 September 2019 by



**J O'Neill**  
Director

The notes on pages 11 to 20 form part of these financial statements.

**WREN BUYERCO LIMITED**

**Statement of Changes in Equity  
For the Year Ended 31 March 2019**

	Share capital	Share premium	Retained Earnings	Total equity
	£	£	£	£
At 1 April 2017	-	2	(17,285,735)	(17,285,733)
<b>Comprehensive loss for the period</b>				
Loss for the year	-	-	(8,148,717)	(8,148,717)
<b>Total comprehensive loss for the period</b>	-	-	(8,148,717)	(8,148,717)
<b>At 31 March 2018</b>	-	2	(25,434,452)	(25,434,450)
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(10,090,074)	(10,090,074)
<b>Total comprehensive loss for the year</b>	-	-	(10,090,074)	(10,090,074)
<b>At 31 March 2019</b>	-	2	(35,524,526)	(35,524,524)

## **WREN BUYERCO LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **1. General information**

Wren Buyerco Limited is an intermediate holding company in the Group.

The functional and presentational currency of the Company is GBP.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Ardent House, 32 Crown Road, Enfield, England, EN1 1TH.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 101.

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

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a wholly owned subsidiary of Wren Topco Limited as its results are included in the consolidated financial statements of that entity.

The following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard (FRS) 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 requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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 of IAS 24 Related Party Disclosures
- 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 relevant, equivalent disclosures have been given in the financial statements of Wren Topco Limited, refer to Note 20.

## **WREN BUYERCO LIMITED**

### **Notes to the Financial Statements**

**For the Year Ended 31 March 2019**

#### **2. Accounting policies (continued)**

##### **2.3 Going concern**

Wren Buyerco Limited is a subsidiary within the Wren Topco group ("the Group") and therefore the Directors consider that its financial position and forecast are inherently linked to that of the Group as whole.

The group posted a consolidated operating profit of £2,687,000 for the year to 31 March 2019 (2018: £1,008,000) and has net liabilities of £40,985,000 (2018: £28,396,000) and net current liabilities of £7,996,000 (2018 net current liabilities: £9,847,000). The Directors have considered the financial position of the Company and the Group and the Group's forecast and concluded that it is appropriate to prepare the financial statements on a going concern basis.

The Group has total available Asset Backed Lending ("ABL") facilities of £150m in addition to other sources of funds including shareholder debt. The Directors have considered the Group's board-approved forecasts which show that the Group will be able to operate within its currently available facilities for the 18 month period of the forecast to September 2020.

In reaching their decision to prepare the financial statements on a going concern basis, the Directors have considered the above factors in the context of the current economic climate. The Directors have also considered reasonably possible downside trading scenarios, and have identified mitigating actions that they would be able to implement to ensure that the Group is able to continue to operate within its existing banking facilities and covenant requirements for the forecast period. As a result, the financial statements have been prepared on a going concern basis. On the basis of this conclusion within the Group financial statements, the Directors consider that it is appropriate to prepare the financial statements of Wren Buyerco Limited on a going concern basis.

The Company is also in receipt of a letter of financial support from Wren Topco Limited.

##### **2.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

##### **2.5 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.

##### **2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 3 months. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.7 Financial instruments**

The Company uses certain financial instruments in its operating and investing activities that are deemed appropriate for its strategy and circumstances.

Financial assets and financial liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

## WREN BUYERCO LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

## 2. Accounting policies (continued)

### 2.7 Financial instruments (continued)

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **Financial assets**

The Company's financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to Group Undertakings, but also incorporate other types of contractual monetary assets.

#### **Classification of financial assets**

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

#### **Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade debtors and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade debtors and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

#### **Financial liabilities**

The Company classifies all of its financial liabilities as liabilities at amortised cost.

#### **At amortised cost**

Financial liabilities at amortised cost including bank borrowings 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 year to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

### 2.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## **WREN BUYERCO LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **2. Accounting policies (continued)**

##### **2.9 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income 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.

##### **2.10 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change 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 Statement of financial position 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 reporting date.



## WREN BUYERCO LIMITED

### Notes to the Financial Statements

For the Year Ended 31 March 2019

#### 2. Accounting policies (continued)

##### 2.12 Changes in accounting policies

IFRS 9 'Financial Instruments' has been adopted in this financial year 2019. The revised standards replaces IAS 39 Financial Instrument: Recognitions and Measurement. IFRS 9 is dealing separately with the classification and measurement of financial assets, impairment and hedging. The cumulative impact on adoptions of the standard has not been material and therefore comparatives have not been adjusted.

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

The preparation of the Company's financial statements, in conforming with IFRS, requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts in the financial statements. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances. Information about such judgments and estimates is contained in the accounting policies to the financial statements and the key area is summarised below. In the opinion of the directors there are no key sources of estimation uncertainty.

##### Critical accounting judgements

###### *Impairment of investments*

The Company considers whether its investments are impaired. Where an indication of impairment is identified the Directors prepare an estimation of the recoverable value of the investments. This requires estimation of the future cash flows from the investments and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

#### 4. Other operating income

	2019 £	2018 £
Management charges received	-	1,211,667

**WREN BUYERCO LIMITED****Notes to the Financial Statements****For the Year Ended 31 March 2019****5. Auditor's remuneration**

The company paid the following amounts to its auditor in respect of the audit of the financial statements:

	2019 £	2018 £
Audit of the financial statements	10,000	10,000
Tax compliance services	2,650	2,650
	<u>12,650</u>	<u>12,650</u>

**6. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	787,187	764,948
Social security costs	104,164	91,416
Contributions to defined contribution pension scheme	21,409	35,767
	<u>912,760</u>	<u>892,131</u>

The Company has no employees other than the Directors.

**7. Directors' remuneration**

	2019 £	2018 £
Directors' emoluments	875,734	934,194
Costs of defined contribution scheme	20,000	35,767
	<u>895,734</u>	<u>969,961</u>

The highest paid Director received remuneration of £315,000 (2018: £370,000).

Retirement benefits are accruing to 2 directors under a defined contribution scheme (2018: 3)

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £20,000 (2018: £35,767).

**WREN BUYERCO LIMITED**

**Notes to the Financial Statements  
For the Year Ended 31 March 2019**

**8. Finance costs**

	2019	2018
	£	£
Interest payable and similar charges	<u>7,368,562</u>	<u>6,634,702</u>

**9. Tax**

	2019 £'000	2018 £'000
<b>Corporation tax</b>		
Current tax on profits for the year	<u>-</u>	<u>-</u>
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Adjustments in respect of prior year	-	-
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Tax on loss on ordinary activities</b>	<u>-</u>	<u>-</u>

**Factors affecting tax credit for the year**

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(10,090,208)</u>	<u>(8,148,717)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(1,917,140)	(1,548,256)
<b>Effects of:</b>		
Adjustments in respects of prior years	-	-
Group relief	<u>1,917,140</u>	<u>1,548,256</u>
<b>Total tax for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

The July 2015 Budget Statement announced changes to the UK Corporation Tax regime which reduced the main rate of Corporation Tax to 19% from 1 April 2017 and 18% from 1 April 2020. The March 2016 Budget Statement announced a further change to the UK Corporation tax rate which will now reduce the main rate of corporation tax rate 17% from 1 April 2020.

As the changes have been substantively enacted at the Statement of Financial Position date their effects are included in these financial statements. Accordingly, deferred taxation has been provided for at 17%.

**WREN BUYERCO LIMITED**

**Notes to the Financial Statements  
For the Year Ended 31 March 2019**

**10. Fixed asset investments**

	Investments in subsidiary undertakings £
<b>Cost and net book value</b>	
At 1 April 2018 and at 31 March 2019	<u>93,874,319</u>

**11. Debtors due after more than one year**

	2019 £	2018 £
<b>Due after more than one year</b>		
Deferred tax asset	<u>135,160</u>	<u>135,160</u>

**12. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Amounts owed to Group undertakings	54,715,264	52,552,558
Accruals and deferred income	148,225	179,958
Other payables	94,516	94,651
	<u>54,958,005</u>	<u>52,827,167</u>

The above intercompany balances are unsecured, interest free and repayable on demand.  
The Company is in receipt of a letter of support from its parent company who has confirmed that they will not recall the debt.

# WREN BUYERCO LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 13. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Amounts owed to Group undertakings	<u>74,575,998</u>	<u>66,616,762</u>

The Company issued loan notes with a value of £54,840,000 on 20 August 2015 with a coupon rate of 11% and maturity date of 20 August 2025.

### 14. Commitments and Guarantees

The Company is party to a cross company guarantee for the asset based loan facility held by Ardent Hire Solutions Limited.

### 15. Deferred tax

	2019	2018
	£	£
At the end and the beginning of the year	<u>135,160</u>	<u>135,160</u>

The deferred tax asset is made up as follows:

	2019	2018
	£	£
Tax losses carried forward	<u>135,160</u>	<u>135,160</u>

## WREN BUYERCO LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 16. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £0.01 each	-	-

#### 17. Reserves

##### Share premium

Share premium represents the amount subscribed for share capital in excess of the nominal value.

##### Retained earnings

Retained earnings represents the accumulated profits, losses and distributions of the company.

There were no dividends paid during the year (2018: none).

#### 18. Controlling party

The Company's immediate parent undertaking is Wren Midco Limited.

The ultimate parent undertaking and the smallest and largest company to prepare consolidated financial statements which include this Company is Wren Topco Limited. These financial statements can be obtained from 32 Crown Road, Enfield, EN1 1TH, which is also the registered address of Wren Topco Limited.

The ultimate controlling party is SCP WRN Acquisition Lux SARL ("SCP"), a company incorporated in Luxembourg.

#### 19. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of Shares	Holding	Principal activity
Ardent Hire Solutions Limited	England **	Ordinary	100%	Plant hire

\*\* Registered office 32 Crown Road, Enfield, England, EN1 1TH.