

**WREN EBT LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the Period Ended 31 March 2017**

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## **WREN EBT LIMITED**

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## **WREN EBT LIMITED**

### **Company Information**

**Directors**

J O'Neill  
J Fish

**Registered number**

10236117

**Registered office**

Ardent House  
32 Crown Road  
Enfield  
Middlesex  
United Kingdom  
EN1 1TH

**Independent auditor**

Deloitte LLP  
Statutory Auditor  
2 New Street Square  
London  
EC4A 2BZ

**Bank**

Lloyds Bank,  
4<sup>th</sup> Floor  
25 Gresham Street  
London  
EC2V 7HN

## **WREN EBT LIMITED**

### **Strategic Report For the Period Ended 31 March 2017**

#### **Introduction**

The Directors present their first Strategic Report for Wren EBT Limited ("the Company") following its incorporation on 16 June 2016.

All references to "period" throughout the Annual Report refer to the period commencing on 16 June 2016, being the date of incorporation of the Company, and ending on 31 March 2017.

#### **Business review**

Wren EBT Limited is a subsidiary of Wren Topco Limited. Wren Topco Limited, through an indirect subsidiary Ardent Hire Solutions Limited, is a leading rental provider of plant and machinery equipment in the UK construction and housing sectors.

The principal activity of the Company during the period and in the foreseeable future was and is to acquire and hold shares and other investments in Wren Topco Limited on behalf of employees of that company and its subsidiaries.

#### **Future developments**

The future of the Company is reported above.

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

Given the simple nature of the Company's activities, there are no principal risks and uncertainties arising for the Company.

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

The loss for the period was £2,055.

The Directors do not consider it necessary to provide an analysis of performance using key performance indicators as the activity of an intermediary holding company is simple in its nature.

This report was approved by the Board of Directors on 24 August 2017 and signed on its behalf by



J O'Neill  
Director

## **WREN EBT LIMITED**

### **Directors' Report For the Period Ended 31 March 2017**

The Directors present their first report and the audited financial statements for the period ended 31 March 2017.

The Company was incorporated on 16 June 2016 and therefore these accounts relate to the period between 16 June 2016 and 31 March 2017 ("the period").

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

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare audited financial statements for each financial year. Under that law the Directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the audited 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 audited 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of the financial statements; and
- prepare the audited 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 audited 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 period, after taxation, amounted to £2,055.

The Directors do not propose the payment of a dividend.

#### **Directors**

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

J O'Neill (appointed 3 April 2017)

J Fish (appointed 3 January 2017)

G Murray (appointed 16 June 2016) (resigned 18 January 2017)

E Miller (appointed 16 June 2016) (resigned 25 April 2017)

## WREN EBT LIMITED

### Directors' Report For the Period Ended 31 March 2017

#### Going concern

Wren EBT 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 £815,000 for the year to 31 March 2017 (2016: £3,766,000) and has net liabilities of £16,253,000 (2016: £6,886,000 restated) and net current liabilities of £3,188,000 (2016 net current assets: £28,463,000). 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 £140m 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 2018.

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 EBT Limited on a going concern basis.

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

#### 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 Companies Act 2006

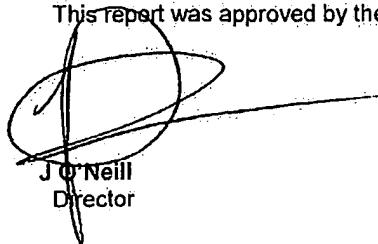
#### Post balance sheet events

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

#### Auditor

Under Section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the Board on 24 August 2017 and signed on its behalf by



J O'Neill  
Director

## **WREN EBT LIMITED**

### **Independent Auditor's Report to the Members of Wren EBT Limited**

We have audited the financial statements of Wren EBT Limited for the period ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

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.

#### **Respective responsibilities of Directors and Auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on 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 2017 and of its loss for the period 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.

#### **Opinion 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 and the Directors' Report.

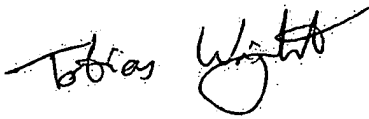
**WREN EBT LIMITED**

**Independent Auditor's Report to the Members of Wren EBT Limited**

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

We have nothing to report in respect of the following matters where 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.



Tobias Wright FCA (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London, UK

24 August 2017



**WREN EBT LIMITED**

**Statement of Comprehensive Income  
For the Period Ended 31 March 2017**

|  | Note | 2017<br>£ |
|--|------|-----------|
| Administrative expenses                    |      | (2,055)   |
| Operating loss                             |      | (2,055)   |
| Income tax expense                         |      |           |
| Total comprehensive expense for the period |      | (2,055)   |

There were no recognised gains and losses for the year ended 31 March 2017 other than those included in the Statement of Comprehensive Income.

The notes on pages 10 to 13 form part of these financial statements.

**WREN EBT LIMITED**

Registered number: 10236117

**Statement of Financial Position  
As at 31 March 2017**

|  | Note | 2017<br>£ | 2017<br>£ |
|--|------|-----------|-----------|
| Investments                                    | 5    |           | 410,247   |
| <b>Current liabilities</b>                     |      |           |           |
| Creditors: amounts falling due within one year | 6    | (412,301) |           |
| <b>Net current liabilities</b>                 |      |           | (412,301) |
| <b>Total assets less current liabilities</b>   |      |           | (2,054)   |
| <b>Net liabilities</b>                         |      |           | (2,054)   |
| <b>Capital and reserves</b>                    |      |           |           |
| Share capital                                  | 7    |           | 1         |
| Profit and loss account                        | 8    |           | (2,055)   |
| <b>Total equity</b>                            |      |           | (2,054)   |

The financial statements were and authorised for issue by the Board and were signed on its behalf on  
24 August 2017 by



J O'Neil  
Director

The notes on pages 10 to 13 form part of these financial statements.

**WREN EBT LIMITED****Statement of Changes in Equity  
For the Period Ended 31 March 2017**

|  | <b>Share<br/>capital<br/>£</b> | <b>Retained<br/>earnings<br/>£</b> | <b>Total<br/>equity<br/>£</b> |
|--|--------------------------------|------------------------------------|-------------------------------|
| On Incorporation                               | -                              | -                                  | -                             |
| Issue of share capital                         | 1                              | -                                  | 1                             |
| <b>Comprehensive loss for the period</b>       |                                |                                    |                               |
| Loss for the period                            | -                              | (2,055)                            | (2,055)                       |
| <b>Total comprehensive loss for the period</b> | -                              | (2,055)                            | (2,054)                       |
| <b>At 31 March 2017</b>                        | <b>1</b>                       | <b>(2,055)</b>                     | <b>(2,054)</b>                |

## **WREN EBT LIMITED**

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

**For the Period Ended 31 March 2017**

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

Wren EBT Limited is an Employers Benefit Trust for the benefit of the employees of Wren Topco Limited and its subsidiaries.

The Company was incorporated on 16 June 2016 and therefore these financial statements are for a period less than 12 months.

The functional and presentational current 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, Middlesex, UK, 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 100.

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 accounts of Wren Topco Limited, refer to note 9.

## **WREN EBT LIMITED**

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

**For the Period Ended 31 March 2017**

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

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

Wren EBT 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 £815,000 for the year to 31 March 2017 (2016: £3,766,000) and has net liabilities of £16,253,000 (2016: £6,886,000 restated) and net current liabilities of £3,188,000 (2016 net current assets: £28,463,000). 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 £140m 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 2018.

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 EBT 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.

##### **2.5 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

###### **Financial assets**

The Company classifies all of its financial assets as loans and receivables.

###### **Loans and receivables**

Loans and receivables 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 goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. 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.

## **WREN EBT LIMITED**

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

**For the Period Ended 31 March 2017**

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

##### **2.5 Financial Instruments (continued)**

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

##### **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 period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

##### **2.6 Current taxation**

The tax expense for the period 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.

#### **3. Judgements 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 is contained in the accounting policies to the financial statements and the key area is summarised below:

##### **Key judgments**

##### ***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. Employees**

The Company has no employees other than the Directors, who did not receive any remuneration for the period. These directors are remunerated by another Group company.

**WREN EBT LIMITED****Notes to the Financial Statements  
For the Period Ended 31 March 2017****5. Fixed asset investments**

|                               | Investments<br>in subsidiary<br>undertakings<br>£ |
|-------------------------------|---|
| Cost or valuation             |   |
| On Incorporation<br>Additions | 410,247   |
| At 31 March 2017              | 410,247   |
| Net book value                |   |
| At 31 March 2017              | 410,247   |

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

|                                    |           |
|------------------------------------|-----------|
|                                    | 2017<br>£ |
| Amounts owed to group undertakings | 2,055     |
| Other Payables                     | 410,246   |
|                                    | 412,301   |

**7. Share capital**

|                                    |           |
|------------------------------------|-----------|
|                                    | 2017<br>£ |
| Allotted, called up and fully paid |           |
| 1 ordinary shares of £1 each       | 1         |

On incorporation, one ordinary share of £1 was issued at par and consideration was satisfied in cash.

**8. Reserves**

The reserves of the company relate to the loss for the period. No dividend was paid during the period.

**9. Ultimate parent undertaking and controlling party**

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

The ultimate controlling party is SCP WRN Acquisition-Lux SARL ("SCP").