

**WREN EBT LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the Period Ended 31 March 2019**



## **WREN EBT LIMITED**

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## **WREN EBT LIMITED**

### **Company Information**

<b>Directors</b>	J O'Neill J Fish
<b>Registered number</b>	10236117
<b>Registered office</b>	Ardent House 32 Crown Road Enfield Middlesex United Kingdom EN1 1TH
<b>Independent auditor</b>	Deloitte LLP Statutory Auditor Crawley RH10 9AD United Kingdom
<b>Bank</b>	HSBC Bank PLC 26 Broad Street Reading Berkshire RG1 2BU

## **WREN EBT LIMITED**

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

#### **Introduction**

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

#### **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 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 developments of the Company have been outlined 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 result for the year was £nil (2018: £nil).

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 26 September 2019 and signed on its behalf by



**J O'Neill**  
Director

## **WREN EBT LIMITED**

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

The Directors present their report and the audited financial statements for the period 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 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; 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 period, after taxation, amounted to £nil (2018: £nil).

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

#### **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  
J Fish

## **WREN EBT LIMITED**

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

#### **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 £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 EBT 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.

#### **Disclosure of information to auditor**

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

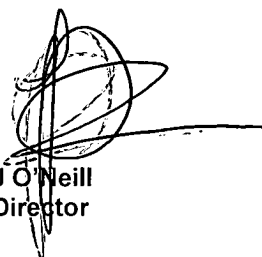
- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor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

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



**J O'Neill**  
Director

## **WREN EBT LIMITED**

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

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

##### **Opinion**

In our opinion the financial statements of Wren EBT 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 result 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 9.

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 EBT LIMITED**

### **Independent auditor's report to the members of Wren EBT Limited (continued)**

#### **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 EBT LIMITED**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Administrative expenses	-	-
	<hr/>	<hr/>
<b>Operating result</b>	-	-
	<hr/>	<hr/>
Income tax expense	-	-
	<hr/>	<hr/>
<b>Total comprehensive result for the period</b>	-	-
	<hr/>	<hr/>

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 10 to 14 form part of these financial statements.

**WREN EBT LIMITED**

Registered number: 10236117

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

	Note	2019 £	2018 £
<b>Non-current assets</b>			
Investments	5	-	410,247
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	6	(2,054)	(412,301)
<b>Net current liabilities</b>		<u>(2,054)</u>	<u>(412,301)</u>
<b>Total assets less current liabilities</b>		<u>(2,054)</u>	<u>(2,054)</u>
<b>Net liabilities</b>		<u>(2,054)</u>	<u>(2,054)</u>
<b>Capital and reserves</b>			
Share capital	7	1	1
Retained Earnings	8	<u>(2,055)</u>	<u>(2,055)</u>
<b>Total deficit</b>		<u><u>(2,054)</u></u>	<u><u>(2,054)</u></u>

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



J O'Neill  
Director

The notes on pages 10 to 14 form part of these financial statements.

**WREN EBT LIMITED**

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

	Share capital £	Retained earnings £	Total equity £
At 1 April 2017	1	(2,055)	(2,054)
<b>Comprehensive result for the year</b>			
Result for the year	-	-	-
<b>Total comprehensive result for the year</b>	-	-	-
<b>At 31 March 2018</b>	1	(2,055)	(2,054)
<b>Comprehensive result for the year</b>			
Result for the year	-	-	-
<b>Total comprehensive result for the year</b>	-	-	-
<b>At 31 March 2019</b>	1	(2,055)	(2,054)

## **WREN EBT LIMITED**

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

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

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

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 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 accounts of Wren Topco Limited, refer to note 9.

## WREN EBT LIMITED

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

#### 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 since the creditor balance held at 31 March 2019 is owed to the Group.

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 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. 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.

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

**2. Accounting policies (continued)**

**2.5 Financial instruments (continued)**

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 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.

**2.7 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.

# WREN EBT LIMITED

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

### 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. In the opinion of the directors there are no key sources of estimation uncertainty or critical accounting judgements.

### 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.

### 5. Fixed asset investments

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 April 2018	410,247
Disposal	(410,247)
<b>At 31 March 2019</b>	<u>-</u>
<b>Net book value</b>	
<b>At 31 March 2019</b>	<u>-</u>
<b>At 31 March 2018</b>	<u>410,247</u>

The investments represents interests in Wren Topco Limited and interest has been disposed of during the year.

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

	2019 £	2018 £
Amounts owed to Group undertakings	2,054	2,055
Other payables	<u>-</u>	<u>410,246</u>
	<u>2,054</u>	<u>412,301</u>

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

## WREN EBT LIMITED

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

#### 7. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1 ordinary shares of £1 each	1	1
	<hr/>	<hr/>

#### 8. Reserves

The reserves of the company relate to the loss brought forward. No dividend was paid during the period (2018:£nil).

#### 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"), a company incorporated in Luxembourg.