

Company Registration No. 03341126 (England and Wales)

**WERNICK REFURBISHED BUILDINGS LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

The logo for RickardLuckin, featuring a stylized blue icon of three vertical bars of varying heights to the left of the company name 'RickardLuckin' in a bold, blue, sans-serif font.

## WERNICK REFURBISHED BUILDINGS LTD

### CONTENTS

---

	<b>Page</b>
Balance sheet	1
Notes to the financial statements	2 - 6

---

**WERNICK REFURBISHED BUILDINGS LTD**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2019**

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		597,520		835,985
<b>Current assets</b>					
Stocks		417,800		354,346	
Debtors	4	5,382,178		4,059,827	
Cash at bank and in hand		479,192		590,316	
		<u>6,279,170</u>		<u>5,004,489</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,300,678)</u>		<u>(898,053)</u>	
<b>Net current assets</b>			4,978,492		4,106,436
<b>Total assets less current liabilities</b>			<u>5,576,012</u>		<u>4,942,421</u>
<b>Provisions for liabilities</b>	6		(35,995)		(59,218)
<b>Net assets</b>			<u>5,540,017</u>		<u>4,883,203</u>
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss reserves			5,540,015		4,883,201
<b>Total equity</b>			<u>5,540,017</u>		<u>4,883,203</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 30 July 2020 and are signed on its behalf by:

D M Wernick  
Director

Company Registration No. 03341126

## WERNICK REFURBISHED BUILDINGS LTD

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

---

#### 1 Accounting policies

##### Company information

Wernick Refurbished Buildings Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Molineux House, Russell Gardens, Wickford, Essex, SS11 8QG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% reducing balance
Motor vehicles	25% reducing balance
Hire fleet	10-25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

## WERNICK REFURBISHED BUILDINGS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

1 Accounting policies (Continued)

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## WERNICK REFURBISHED BUILDINGS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

**1 Accounting policies** (Continued)

**1.7 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**1.8 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

**1.9 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**1.10 Retirement benefits**

**Defined contribution pension plan**

The company participates in a defined contribution pension 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 profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 34 (2018 - 36).

**WERNICK REFURBISHED BUILDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**3 Tangible fixed assets**

	Plant and machinery etc	Hire fleet	Total
	£	£	£
<b>Cost</b>			
At 1 January 2019	345,850	1,683,673	2,029,523
Additions	48,122	139,179	187,301
Disposals	(51,790)	(279,771)	(331,561)
	<u>342,182</u>	<u>1,543,081</u>	<u>1,885,263</u>
At 31 December 2019	342,182	1,543,081	1,885,263
<b>Depreciation and impairment</b>			
At 1 January 2019	178,858	1,014,680	1,193,538
Depreciation charged in the year	36,085	202,214	238,299
Eliminated in respect of disposals	(28,477)	(115,617)	(144,094)
	<u>186,466</u>	<u>1,101,277</u>	<u>1,287,743</u>
At 31 December 2019	186,466	1,101,277	1,287,743
<b>Carrying amount</b>			
At 31 December 2019	<u>155,716</u>	<u>441,804</u>	<u>597,520</u>
At 31 December 2018	<u>166,992</u>	<u>668,993</u>	<u>835,985</u>

**4 Debtors**

	2019	2018
Trade debtors	312,771	322,329
Corporation tax recoverable	5,388	3,056
Amounts owed by group undertakings	4,687,175	3,427,513
Other debtors	376,844	306,929
	<u>5,382,178</u>	<u>4,059,827</u>

**5 Creditors: amounts falling due within one year**

	2019	2018
	£	£
Trade creditors	577,151	523,126
Taxation and social security	185,377	29,306
Other creditors	538,150	345,621
	<u>1,300,678</u>	<u>898,053</u>

**WERNICK REFURBISHED BUILDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**6 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2019</b>	<b>2018</b>
<b>Balances:</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	35,995	59,218
	<u>          </u>	<u>          </u>
		<b>2019</b>
<b>Movements in the year:</b>		<b>£</b>
Liability at 1 January 2019		59,218
Credit to profit or loss		(23,223)
		<u>          </u>
Liability at 31 December 2019		35,995
		<u>          </u>

**7 Called up share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2 Ordinary of £1 each	2	2
	<u>          </u>	<u>          </u>

**8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Michael Breame.

The auditor was Rickard Luckin Limited.

**9 Financial commitments, guarantees and contingent liabilities**

The company is party to unlimited intercompany financial guarantees in respect of group borrowings of £12,887,896 (2018: £14,015,592) created by various legal charges over group assets. Additionally, there is an unlimited financial guarantee in respect of select group finance leases of £39,765,792 (2018: £19,249,552).

**10 Parent company**

Wernick Hire Limited is the company's immediate parent undertaking and Wernick Group (Holdings) Limited is the company's ultimate parent undertaking. The consolidated accounts of Wernick Group (Holdings) Limited are publicly available from Companies House.



