

Registered number: 00939028

WERNER UK SALES & DISTRIBUTION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

COMPANY INFORMATION

Directors

T K Lewis
P A Bruton
M A Law
R Rosati
P Sullivan
W T Allen
N Platt

Company secretary

G Hartenstein

Registered number

00939028

Registered office

The Causeway
Maldon
Essex
CM9 4LJ

Independent auditor

Deloitte LLP
Statutory Auditor
1 Station Square
Cambridge
CB1 2GA

WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

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WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

Introduction

The Directors have pleasure in presenting their strategic report for the year 31 December 2016.

Principal Activities

The principal activity of the company is the sale and distribution of ladder access equipment.

Business review

During 2016, Werner UK Sales and Distribution continued to focus on the sales of ladder access equipment and the development of its brands with a goal of providing end users with the best work at height product available.

Financial risk management

As part of the operational structure of Werner International POC GMB the company only has one main are of risk, which is liquidity risk. However, the company has no debt due to third parties outside of the group headed by Werner Worldwide Holding Co. LP and has access to funds provided through intercompany loans.

Whilst future trading performance within the company is inherently subject to uncertainty, the directors, having received written assurances that intercompany funds will continue to be made available from fellow group companies, and having assessed the ability of these companies to provide this support, have a reasonable and proper expectation that the company will continue to have adequate resources for the foreseeable future.

Financial key performance indicators

The directors consider the key performance indicators of the business to be turnover and profit before tax.

The turnover for the year to December 2016 was £25,466k (2015: £24,312k) and the profit before tax was £718k (2015: £328k)

Dividends

There were no dividend payments in 2016 or 2015. The directors do not recommend the payment of a final dividend.

Going concern

Whilst future trading performance within the company is inherently subject to uncertainty, the directors, having received written assurances that intercompany funds will continue to be made available from fellow group companies, and having assessed the ability of these companies to provide this support, have a reasonable and proper expectation that the company will continue to have adequate resources for the foreseeable future.

Employees

The company continues its practice of keeping its employees informed on matters affecting them.

The policy of the company for the employment of disabled persons is to give them equal opportunities with other employees, to train for and attain any position in the company and having regard to the maintenance of a safe working environment and the constraints of their disabilities.

WERNER UK SALES & DISTRIBUTION LIMITED
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STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Research and development

The company continues to invest in new product development and is also exploring areas of diversification that will leverage the global Werner Co. portfolio of products. In addition the company continues to promote and enhance its strong brand presence and further grow its significant relationships with the UK major retailers of access products.

Future developments

The directors anticipate that Werner UK Sales and Distribution Limited will continue to act as a sales and distribution business and do not anticipate any changes to the trade and operations for the foreseeable future.

This report was approved by the board on 07/08/ 2017 and signed on its behalf.

Sam M. Jones

Director

WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and the financial statements for the year ended 31 December 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements 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 profit for the year, after taxation, amounted to £513,000 (2015 - £342,000).

There were no dividend payments in 2016 or 2015. The directors do not recommend payment of a final dividend.

Directors

The directors who served during the year and to the date of this report, unless otherwise stated, were:

T K Lewis
P A Bruton
M A Law
R Rosati
P Sullivan
W T Allen
N Platt (appointed 25 May 2016)

WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

Future developments

No significant future developments are identified by management.

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 the provisions of s418 of the Companies Act 2006.

Post balance sheet events

On 24 July 2017, the Werner group was acquired by a Fund controlled by Triton Investment Management Limited (Triton), see note 23.

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 financial statements with the registrar, whichever is earlier.

This report was approved by the board on 07/08/ 2017 and signed on its behalf.

Sam H. Seave

Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WERNER UK SALES & DISTRIBUTION LIMITED

We have audited the financial statements of Werner UK Sales & Distribution for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 23. 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Directors' report to identify material inconsistencies with the audited financial statements. 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 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WERNER UK SALES & DISTRIBUTION LIMITED

Opinion on other matter prescribed by the Companies Act 2006

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

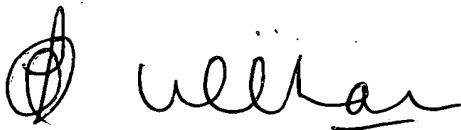
- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have no identified any material misstatements in the strategic report or the directors' report.

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.



Lee Welham FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

8 August 2017

WERNER UK SALES & DISTRIBUTION LIMITED
REGISTERED NUMBER:00939028

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Year ended 2016 £000	Year ended 2015 £000
Turnover	4	25,466	24,312
Cost of sales		(22,985)	(21,259)
Gross profit		2,481	3,053
Distribution costs		(25)	(93)
Administrative expenses		(2,007)	(2,605)
Other operating income		-	1
Operating profit	5	449	356
Interest receivable and similar income	9	284	-
Interest payable and similar charges	10	(15)	(28)
Profit before tax		718	328
Tax on profit	11	(205)	14
Profit for the year		<u>513</u>	<u>342</u>
Total comprehensive loss for the year		<u>513</u>	<u>342</u>

All activities derive from continuing operations.

WERNER UK SALES & DISTRIBUTION LIMITED
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BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £000	2015 £000
Fixed assets			
Tangible assets	12	-	-
Current assets			
Debtors: amounts falling due within one year	13	17,841	23,039
Cash at bank and in hand		81	317
		<u>17,922</u>	<u>23,356</u>
Creditors: amounts falling due within one year	14	(9,329)	(14,276)
Net current assets		<u>8,593</u>	<u>9,080</u>
Total assets less current liabilities		<u>8,593</u>	<u>9,080</u>
Provisions for liabilities			
Other provisions	17	-	(1,000)
			<u>(1,000)</u>
Net assets		<u><u>8,593</u></u>	<u><u>8,080</u></u>
Capital and reserves			
Called up share capital	18	2,224	2,224
Share premium account	19	36	36
Profit and loss account	19	6,333	5,820
Shareholder's funds		<u><u>8,593</u></u>	<u><u>8,080</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
7 August 2017.

Simon R. Jones

Director

The notes on pages 10 to 27 form part of these financial statements.

WERNER UK SALES & DISTRIBUTION LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2016	2,224	36	5,820	8,080
Comprehensive income for the year				
Profit for the period	-	-	513	513
Total comprehensive income for the year	-	-	513	513
At 31 December 2016	2,224	36	6,333	8,593

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2015	2,224	36	5,478	7,738
Comprehensive income for the year				
Profit for the year	-	-	342	342
Total comprehensive income for the year	-	-	342	342
At 31 December 2015	2,224	36	5,820	8,080

The notes on pages 10 to 27 form part of these financial statements.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Werner UK Sales & Distribution Limited, is a private company limited by shares, which is incorporated in the UK. The entity is registered at The Causeway Maldon, Essex CM9 4LJ. The company will be included in the consolidated financial statements of Werner Worldwide Holding Co. LP, for the year ended 31 December 2016.

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 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 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).

Going Concern

Management prepares budget and forecasts which show the business continuing to grow and a strong balance sheet and profitability. These are monitored against actual results. The directors have received assurances from fellow group companies that they will continue to provide funding and support to the company as required to ensure that it can continue to trade and meets its liabilities as they fall due for the foreseeable future.

In view of the above and after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- *the requirements of Section 7 Statement of Cash Flows;
- *the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- *the requirements of Section 33 Related Party Disclosures;
- *the requirements of Section 11 Financial Instruments

This information is included in the consolidated financial statements of Werner Access Products UK Holdings Limited as at 31 December 2016 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- 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 Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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 profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant and machinery	- 3 to 10 years
Motor vehicles	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

2.6 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.7 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.

2.8 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 24 hours. 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.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is considered to be pounds sterling because that is the currency of the primary economic area in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.12 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.

2.13 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 balance sheet 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 Balance sheet 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 balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Future events and their effects cannot be determined with absolute certainty. Therefore the determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases, actuarial techniques. The Company constantly re-evaluates these significant factors and makes adjustments where facts and circumstances dictate.

The Company's dilapidation provisions are a matter of judgement in respect of the dilapidation costs on exit from leases and in respect of the final amount of reorganisation costs to be incurred.

The Company pays volume rebates to certain customers based on the terms of the relevant contracts. Determining amount of the rebates liability requires an estimation based upon up-to-date trading information. The directors use their knowledge of the business and the trading environment to assess the amount of accrual that is required.

No other significant judgements or estimates have been used by management in the preparation of the financial statements.

4. Analysis of turnover

Analysis of turnover by country of destination:

	2016 £000	2015 £000
United Kingdom	23,999	23,569
Rest of Europe	1,228	669
Rest of the world	239	74
	<u>25,466</u>	<u>24,312</u>

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

5. Operating profit

The operating profit is stated after charging:

	2016 £000	2015 £000
Depreciation of tangible fixed assets	-	60
Impairment of tangible fixed assets	-	114
Foreign exchange loss	146	22
Operating lease rentals - plant, machinery and vehicles	22	54
Operating lease rentals - land and buildings	<u>-</u>	<u>323</u>

6. Auditor's remuneration

	2016 £000	2015 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	20	33
Other services relating to taxation	<u>-</u>	<u>8</u>

WERNER UK SALES & DISTRIBUTION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

7. Employees

Staff costs were as follows:

	2016 £000	2015 £000
Wages and salaries	391	445
Social security costs	20	59
Cost of defined contribution scheme	23	28
	<u>434</u>	<u>532</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Sales and marketing	9	11

8. Directors' remuneration

	2016 £000	2015 £000
Emoluments for qualifying services	178	60
Contributions to money purchase pension schemes	33	17
	<u>211</u>	<u>77</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes

	No	No
	1	1

	£000	£000
Highest paid director	90	59

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

9. Interest receivable and similar charges

	2016 £000	2015 £000
Loans from group undertakings	<u>284</u>	<u>-</u>

10. Interest payable and similar charges

	2016 £000	2015 £000
Loans from group undertakings	<u>15</u>	<u>28</u>

11. Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	141	83
Adjustments in respect of previous periods	57	(81)
Total current tax	<u>198</u>	<u>2</u>
Deferred tax		
Origination and reversal of timing differences	6	(20)
Adjustments in respect of prior years	-	(1)
Effect of changes in tax rates	1	5
Total deferred tax	<u>7</u>	<u>(16)</u>
Taxation on profit on ordinary activities	<u>205</u>	<u>(14)</u>

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11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2015 – 20.25%). The differences are explained below:

	2016	2015
	£000	£000
(Loss)/profit on ordinary activities before tax	<u>718</u>	<u>328</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21.5%)	144	66
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3	25
Adjustments in respect of prior periods	57	(83)
Group relief	-	(27)
Tax rate changes	1	5
Total tax charge/(credit) for the year	<u>205</u>	<u>(14)</u>

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 17%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

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12. Tangible fixed assets

	Plant, Equipment & Motor Vehicles
	£000
Cost or valuation	
At 1 January 2016	603
Disposals	(603)
At 31 December 2016	<u>-</u>
Depreciation	
At 1 January 2016	603
Disposals	(603)
At 31 December 2016	<u>-</u>
Net book value	
At 31 December 2016	<u><u>-</u></u>
At 31 December 2015	<u><u>-</u></u>

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13. Debtors

	2016	2015
	£000	£000
<u>Amounts due within one year:</u>		
Trade debtors	7,596	5,619
Amounts owed by group undertakings	9,717	17,101
Other debtors	321	124
Prepayments and accrued income	170	151
Deferred taxation	37	44
	<u>17,841</u>	<u>23,039</u>

14. Creditors: Amounts falling due within one year

	2016	2015
	£000	£000
Trade creditors	67	715
Amounts owed to group undertakings	8,032	12,825
Corporation tax	253	101
Taxation and social security	23	13
Accruals and deferred income	954	622
	<u>9,329</u>	<u>14,276</u>

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15. Financial instruments

	2016	2015
	£000	£000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	17,421	23,161
Financial liabilities		
Financial liabilities measured at amortised cost	(8,099)	(13,540)

Financial assets measured at amortised cost comprise cash; trade debtors; amounts owed by group undertakings; and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and amounts owed by group undertakings

16. Deferred taxation

	Deferred tax
	£000
At 1 January 2016	44
Charged to the profit or loss	(7)
At 31 December 2016	37

The deferred tax asset is made up as follows:

	2016	2015
	£000	£000
Accelerated capital allowances	31	39
Adjustments with respect to prior years	6	5
	37	44

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17 Provisions

	Dilapidation Provision
	£000
At January 1, 2016	1,000
Utilization of provision	(1,000)
At 31 December 2016	-

The provision pertains to payments for dilapidations on leased property on exit from the lease. The amount has been settled in the current year.

18. Share capital

	2016 £000	2015 £000
Allotted, called up and fully paid		
2,224,240 - Allotted, called up and fully paid shares of £1 each	<u>2,224</u>	<u>2,224</u>

The Company has one class of ordinary shares which carry no right to fixed income.

19. Reserves

Share premium

The share premium account contains the amount received by the company for equity in excess of its market value.

Profit and loss account

The profit and loss account comprises of distributable reserves less any dividends paid.

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20. Pension commitments

The company operates a defined contribution scheme. Contributions are charged to the Statement of Comprehensive Income account in the year in which they become payable. The assets of the scheme are held separately from those of the company in funds under the control of trustees.

The pension charge for the year was £23,000 (2015: £28,000). The outstanding balances at year end was £7,120 (2015: £3,596).

21. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £000	2015 £000
Land & Buildings		
Not later than 1 year	338	390
Later than 1 year and not later than 5 years	1,848	1,558
Later than 5 years	1,771	1,818
Total	3,957	3,766
Other leases		
Not later than 1 year	22	17
Later than 1 year and not later than 5 years	33	18
Total	55	35
All leases		
Not later than 1 year	360	407
Later than 1 year and not later than 5 years	1,881	1,576
Later than 5 years	1,771	1,818
Total	4,012	3,801

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22. Ultimate parent company

The company is a wholly owned subsidiary of Werner Access Products UK Holdings Limited, a company registered in England and Wales, which is the smallest group of which the company is a member. Copies of Consolidated Accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate holding and controlling company of Werner Access Products UK Holdings Limited during the period in the financial statements is Werner Worldwide Holding Co., LP a company registered in the Cayman Islands, which is the parent of the largest group of which the company is a member. As of 24 July 2017 Wila MidCo S.a.r.l., a company registered in Luxembourg is the new ultimate parent company.

The company has taken advantage of the exemption conferred by FRS 102, not to disclose transactions with members of the group headed by Werner Worldwide Holding Co., LP on grounds that 100% of the voting rights of the company are controlled within that group and the company is included in those consolidated financial statements.

23. Subsequent events

On 14 May 2017, the Company entered into an agreement to sell the business to a Fund controlled by Triton Investment Management Limited (Triton). Triton is registered in Jersey. The transaction closed on 24 July 2017.