

Company Registration No. 01069389 (England and Wales)

**WOGEN GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**



# WOGEN GROUP LIMITED

## COMPANY INFORMATION

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**Directors**

J.G.B. Craig  
D.A. Brousse  
P.H. Watkins

**Secretary**

A.C.S. Greenwood

**Company number**

01069389

**Registered office**

4 The Sanctuary  
Westminster  
London  
SW1P 3JS

**Auditor**

Citroen Wells  
Chartered Accountants  
Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

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# WOGEN GROUP LIMITED

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# WOGEN GROUP LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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The directors present the strategic report for the year ended 30 September 2017.

### **Review of the business**

The company acts as a management company, co-ordinating the administration of its trading subsidiaries, providing directors, staff and related services as required.

The directors report a profit before tax of £697k (2016: loss of £1.1m).

### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks.

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group which is headed by Sanctuary Partners Limited, and not managed separately. Accordingly, the principal risks and uncertainties of Sanctuary Partners Limited, which includes those of the company, are discussed in note 20 of the group's annual report, which does not form part of this report.

### **Key performance indicators**

The directors of Sanctuary Partners Limited manage the group's operations. For this reason the company's directors believe that the analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Wogen Group Limited. The development, performance and position of the group, which includes Wogen Group Limited is discussed in the Report of the Directors in Sanctuary Partners Limited's annual report, which does not form part of this report.

### **Going concern**

The directors are confident that the company has adequate resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

By order of the board



J.G.B. Craig

Director

12 December 2017

# WOGEN GROUP LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

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The directors present their annual report and the audited financial statements for the year ended 30 September 2017.

#### **Results and dividends**

The results for the year are set out on page 6.

No interim dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year, and up to the date of signature of the financial statements, were as follows:

J.G.B. Craig  
D.A. Brousse  
P.H. Watkins

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

Under Article 18 of the company's Articles of Association, subject to the provisions of the Companies Act 2006 (the "Act"), but without prejudice to any indemnity to which he may be otherwise entitled, every director, alternate director, secretary or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities incurred by him in or about the execution and/or the discharge of the duties of his office, provided that Article 18 shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause Article 18, or any element of it, to be treated as void under the Act. No specific indemnities in favour of directors have been issued by the company.

#### **Auditor**

Citroen Wells were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of directors' responsibilities**

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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

# WOGEN GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

### Other matters

The company has chosen, in accordance with Companies Act 2006, s. 414C(11), to set out in the company's strategic report information, required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 in the directors' report.

By order of the board



A.C.S. Greenwood

Secretary

12 December 2017

# WOGEN GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF WOGEN GROUP LIMITED

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#### Opinion

We have audited the financial statements of Wogen Group Limited (the 'company') for the year ended 30 September 2017 set out on pages 6 to 20. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 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.

#### 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 this regard.

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

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

# WOGEN GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WOGEN GROUP LIMITED

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

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 material misstatements in the Strategic Report and the Directors' Report.

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.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.*



Jonathan Prevezer FCA (Senior Statutory Auditor)  
for and on behalf of Citroen Wells

14 December 2017

Chartered Accountants  
Statutory Auditor

Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

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# WOGEN GROUP LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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	Notes	2017 £'000	2016 £'000
Revenue	3	6,357	2,038
Administrative expenses		(5,669)	(3,242)
<b>Operating profit/(loss)</b>		<u>688</u>	<u>(1,204)</u>
Restructuring costs		-	(22)
<b>Operating profit/(loss) after restructuring costs</b>	4	688	(1,226)
Income from shares in group undertakings	7	25	-
Other interest receivable and similar income	7	-	123
Interest payable and similar charges		(1)	(1)
<b>Profit/(loss) before taxation</b>		<u>712</u>	<u>(1,104)</u>
Tax on profit/(loss)	8	(15)	-
<b>Profit/(loss) for the financial year</b>		<u><u>697</u></u>	<u><u>(1,104)</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

The accompanying notes form an integral part of these financial statements.

# WOGEN GROUP LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2017

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	2017 £'000	2016 £'000
Profit/(loss) for the year	697	(1,104)
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Movement on deferred tax relating to pension assets	-	39
	<hr/>	<hr/>
<b>Total comprehensive income/(loss) for the year</b>	<b>697</b>	<b>(1,065)</b>
	<hr/> <hr/>	<hr/> <hr/>

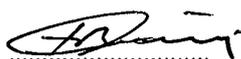
# WOGEN GROUP LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2017

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
<b>Fixed assets</b>					
Investments	9		2,791		2,592
<b>Current assets</b>					
Trade and other receivables	11	11,521		7,337	
Cash at bank and in hand		122		316	
		<u>11,643</u>		<u>7,653</u>	
<b>Creditors: amounts falling due within one year</b>					
Trade creditors and other payables	12	4,111		426	
Taxation and social security		72		49	
		<u>4,183</u>		<u>475</u>	
<b>Net current assets</b>			<u>7,460</u>		<u>7,178</u>
<b>Total assets less current liabilities</b>			10,251		9,770
Other provisions	13		-		216
<b>Net assets</b>			<u>10,251</u>		<u>9,554</u>
<b>Capital and reserves</b>					
Called up share capital	15		2,245		2,245
Share premium account			2		2
Capital redemption reserve			400		400
Profit and loss account			7,604		6,907
<b>Total equity</b>			<u>10,251</u>		<u>9,554</u>

The financial statements were approved by the Board of directors and authorised for issue on 12 December 2017  
Signed on its behalf by:



J.G.B. Craig  
Director



D.A. Brousse  
Director

Company Registration No. 01069389

# WOGEN GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2017

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	Share capital	Share premium account	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 October 2015	2,245	2	400	7,972	10,619
Loss for the year	-	-	-	(1,104)	(1,104)
Other comprehensive income	-	-	-	39	39
Balance at 30 September 2016	<u>2,245</u>	<u>2</u>	<u>400</u>	<u>6,907</u>	<u>9,554</u>
Profit and total comprehensive income for the year	-	-	-	697	697
Balance at 30 September 2017	<u><u>2,245</u></u>	<u><u>2</u></u>	<u><u>400</u></u>	<u><u>7,604</u></u>	<u><u>10,251</u></u>

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 1 Accounting policies

#### Company information

Wogen Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 The Sanctuary, Westminster, London, SW1P 3JS.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Sanctuary Partners Limited in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- 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: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 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 ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Where required, equivalent disclosures are given in the group accounts of Sanctuary Partners Limited. The group accounts of Sanctuary Partners Limited are available to the public and can be obtained as mentioned in note 16.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.3 Revenue

Revenue represents management fees receivable for services provided to other Group undertakings. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under contracts.

#### 1.4 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

#### 1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

#### *Loans and receivables*

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### *Impairment of financial assets*

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

### 1.8 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

#### ***Other financial liabilities***

Financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

### 1.9 Equity instruments

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

### 1.10 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 income statement 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 balances are recognised in respect of all timings differences that have originated but not reversed by the balance sheet, except that deferred tax is not recognised on timing differences arising on revalued leasehold properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief. Deferred tax balances are not discounted.

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

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#### 1 Accounting policies

(Continued)

##### 1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

##### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Retirement benefits

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year which they become payable. The assets of the scheme are held separately in an independent administration fund.

##### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

##### 1.15 Employee Trusts

The company runs two separate Employees' Trust schemes for the benefit of their employees - the Wogen Group Limited 1992 Employees' Trust and the Wogen Group Limited 2010 Employee Benefit Trust.

Both Trusts have purchased shares in the ultimate parent company, Sanctuary Partners Limited, with the intention that these will be issued to employees of the company:

As the company has de facto control over the Trusts, the assets and liabilities of the Trusts are consolidated into the accounts of the company. No deduction is however made from shareholders funds in relation to the cost of the investments as the shares are held in Sanctuary Partners Limited.

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

#### 2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### Key sources of estimation uncertainty

##### Defined benefit pension asset

The directors do not feel that there are any key sources of estimation uncertainty.

#### 3 Revenue

An analysis of the company's revenue is as follows:

	2017 £'000	2016 £'000
<b>Turnover</b>		
Management fees receivable	6,357	2,038
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Interest income	-	123
Dividends received	25	-
	<u>          </u>	<u>          </u>

#### Revenue analysed by geographical market

	2017 £'000	2016 £'000
UK	6,357	1,600
Overseas	-	438
	<u>          </u>	<u>          </u>
	<u>6,357</u>	<u>2,038</u>

#### 4 Operating profit/(loss)

	2017 £'000	2016 £'000
Operating profit/(loss) for the year is stated after charging:		
Net foreign exchange losses	7	825
Fees payable to the company's auditor for the audit of the company's financial statements	12	4
	<u>          </u>	<u>          </u>

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Trading and administrative staff	18	22

Their aggregate remuneration comprised:

	2017 £'000	2016 £'000
Wages and salaries	5,319	1,602
Social security costs	216	256
Pension costs	163	26
	<u>5,698</u>	<u>1,884</u>

### 6 Directors' remuneration

	2017 £'000	2016 £'000
Remuneration for qualifying services	2,278	478

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016 - 2).

	2017 £'000	2016 £'000
Remuneration disclosed above include the following amounts paid to the highest paid director:		
Remuneration for qualifying services	1,520	257

### 7 Investment income

	2017 £'000	2016 £'000
<b>Interest income</b>		
Other interest income	-	123
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	25	-
Total income	<u>25</u>	<u>123</u>

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 8 Taxation

	2017 £'000	2016 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	15	-

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2017 £'000	2016 £'000
Profit/(loss) before taxation	712	(1,104)
Expected tax charge/(credit) based on a corporation tax rate of 19.50% (2016: 20.00%)	139	(221)
Effect of expenses not deductible in determining taxable profit	-	106
Income not taxable	(15)	-
Unutilised tax losses carried forward	-	108
Group relief	-	7
Utilisation of tax losses	(105)	-
Other differences	(4)	-
<b>Taxation charge for the year</b>	<b>15</b>	<b>-</b>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2017 £'000	2016 £'000
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	-	(39)

### 9 Investments

	2017 £'000	2016 £'000
Investments in subsidiaries	2,434	2,434
Investments held by Employee Trusts	357	158
	<u>2,791</u>	<u>2,592</u>

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 9 Investments

(Continued)

#### Movements in non-current investments

	Shares £'000
<b>Cost or valuation</b>	
At 30 September 2016	3,059
Additions	180
Disposals	(209)
At 30 September 2017	<u>3,030</u>
<b>Impairment</b>	
At 30 September 2016	(467)
Impairment losses	228
At 30 September 2017	<u>(239)</u>
<b>Carrying amount</b>	
At 30 September 2017	<u>2,791</u>
At 30 September 2016	<u>2,592</u>

### 10 Subsidiaries

These financial statements are separate company financial statements for Wogen Group Limited and do not include the results of the subsidiaries listed below.

Details of the company's subsidiaries at 30 September 2017 are as follows:

	Country of incorporation (or residence)	Proportion of ownership interest	Proportion of voting power held	Nature of business
Wogen Resources South Africa (Pty) Limited	South Africa	100.00%	100.00%	Metals & minerals trading
Wogen Titanium Limited	England and Wales	100.00%	100.00%	Dormant
Wogen Resources Limited	England and Wales	100.00%	100.00%	Metals & minerals trading
Wogen Pacific Limited	Hong Kong	100.00%	100.00%	Metals & minerals trading

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 11 Trade and other receivables

	2017 £'000	2016 £'000
Other receivables	5	45
VAT recoverable	45	38
Amounts due from fellow group undertakings	11,471	7,250
Prepayments	-	4
	<u>11,521</u>	<u>7,337</u>

### 12 Trade and other payables

	2017 £'000	2016 £'000
Trade payables	-	4
Amounts due to fellow group undertakings	81	-
Accruals	4,030	422
	<u>4,111</u>	<u>426</u>

### 13 Provisions for liabilities

	2017 £'000	2016 £'000
Buildings dilapidations	-	216

The provision above represents the company's contractual obligations under the company's lease. The directors feel in substance that the obligation rests with a different member of the group, therefore the provision has been moved out of Wogen Group Limited.

### 14 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans are £163,000 (2016 - £26,000).

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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15 Share capital	2017	2016
	£'000	£'000
<i>Ordinary share capital</i>		
<i>Issued and fully paid</i>		
44,905,001 Ordinary shares of 5p each	2,245	2,245
	<u>          </u>	<u>          </u>

The company has one class of ordinary shares which carry no right to fixed income and carry equal rights in respect of voting, dividends and entitlement to surplus assets on winding up.

### 16 Controlling party

The parent company of Wogen Group Limited is Sanctuary Partners Limited.

The consolidated financial statements of Sanctuary Partners Limited are the smallest and largest Group into which the entity is consolidated. A copy of these accounts can be obtained from Wogen Group Limited's registered office.

# WOGEN GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

#### 17 Employees' trusts

The company runs two Employee Trust schemes for its employees - The Wogen Group Limited 1992 Employees' Trust ("1992 Employees' Trust") and The Wogen Group Limited 2010 Employee Benefit Trust ("2010 Employees' Trust").

There have been the following movements in the shares held by the Trusts in Sanctuary Partners Limited during the year:

	Number 2017	Number 2016
<b>1992 Employees' Trust</b>		
At start of year	174,158	-
Purchased during the year	374,158	174,158
	<u>          </u>	<u>          </u>
Balance at the end of the year	548,316	174,158
	<u>          </u>	<u>          </u>
<b>2010 Employees' Trust</b>		
At start of year	938,562	938,562
Sold during the year	(355,000)	-
	<u>          </u>	<u>          </u>
Balance at the end of the year	583,562	938,562
	<u>          </u>	<u>          </u>
<b>Market value of the shares held</b>		
	<b>£'000</b>	<b>£'000</b>
1992 Employees' Trust	290	76
2010 Employees' Trust	310	409
	<u>          </u>	<u>          </u>
	600	420
	<u>          </u>	<u>          </u>

Even though the shares held by the Employees' Trusts are not in Wogen Group Limited, it is the directors opinion that Wogen Group Limited still has de facto control of the Trusts and it is therefore appropriate that the assets and liabilities of the Trusts are consolidated into the company. A deduction is however made from shareholders funds in the consolidated accounts of Sanctuary Partners Limited to reflect the cost of shares held within the group.

Of the 583,562 (2016: 938,562) shares in the company owned by the 2010 Employees' Trust at the year end, 385,000 (2016: 740,000) shares had been granted as options to employees of the Group during the year, at an exercise price of 0.01p.