

WICK HILL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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WICK HILL LIMITED

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WICK HILL LIMITED

COMPANY INFORMATION

Directors	G Hitchens J Hodge I A Kilpatrick S P Rigby
Company secretary	G Hitchens
Registered number	01695813
Registered office	Unit 1, Genesis Business Park Albert Drive Woking Surrey GU21 5RW
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Cornwall Court 19 Cornwall Street Birmingham B3 2DT

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present the Strategic Report for Wick Hill Limited (the "company") for the year ended 31 March 2018.

Business review

Our continued focus and investment in market making and high value add continued to deliver results. Whilst we are investing in launching new products in the coming year we are confident that we will have a strong 2018/19.

Principal risks and uncertainties

The financial risks faced by the company include foreign currency risk. The board reviews and agrees policies for managing this risk.

The company's financial instruments, other than derivatives, comprise short-term monetary assets and liabilities that arise directly from the company's operations. The company also enters into forward currency contracts to manage the currency risk arising from foreign currency denominated transactions entered into by the company.

The principal risks and uncertainties affecting the company are:

- (a) the state of the markets in which it operates and the competitive pressures within those markets;
- (b) the strength of relationships with major suppliers and customers;
- (c) the ability to recruit, retain and motivate key employees;
- (d) the obsolescence of inventory;
- (e) the effects of movements in the currency markets; and
- (f) the need to maintain sufficient liquidity.

In developing its strategy and plans, Wick Hill Limited takes full account of the need to minimise the impact of the risks associated with its business.

Relationships with suppliers and customers are cultivated and maintained through an emphasis on communication and integrity. Customer credit risks are mitigated through a combination of credit checks, credit insurance and ongoing reviews of customer aged balances.

The retention of key employees is achieved through a strong human resources framework, overseen by the directors.

Inventory obsolescence is monitored regularly and a strict write-down policy is enforced to ensure carrying values are appropriate.

The company has transactions in a number of currencies which puts the company at risk of fluctuations resulting from exchange rate movements. The foreign exchange risks are managed by the use of forward exchange contracts.

WICK HILL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Key performance indicators

The company monitors its performance against strategic objectives by means of key performance indicators. The main KPI's it uses are orientated around gross profit margin and turnover. These are summarised thus:

	2018	2017
	£000	£000
Turnover	138,760	117,773
Gross Profit	12,023	9,866
Operating Profit	6,134	2,159

This report was approved by the board on *2nd August 2018* and signed on its behalf by:



J Hodge
Director

WICK HILL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and the audited financial statements of Wick Hill Limited (the "company") for the year ended 31 March 2018.

Principal activities

The principal activities of the company during the year were value added distribution of computer hardware and software with associated services, primarily in the areas of security, performance, access, management and convergence.

Results and dividends

The profit for the financial year amounted to £5,099,000 (2017: £1,722,000).
No dividends will be distributed for the year ended 31 March 2018 (2017: £Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

G Hitchens
J Hodge
I A Kilpatrick
S P Rigby

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), comprising 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the 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 auditors are aware of that information.

WICK HILL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *2nd August 2018* and signed on its behalf by:


J Hodge
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WICK HILL LIMITED

Report on the financial statements

Opinion

In our opinion, Wick Hill Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2018; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WICK HILL LIMITED (CONTINUED)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

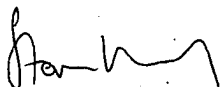
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Steven Kentish (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
02 August 2018

WICK HILL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £000	2017 £000
Turnover	4	138,760	117,773
Cost of sales		(126,737)	(107,907)
Gross profit		12,023	9,866
Administrative expenses		(7,292)	(7,707)
Other operating income	5	1,403	-
Operating profit	6	6,134	2,159
Interest receivable and similar income	10	186	86
Interest payable and similar expenses	11	(4)	(23)
Profit before tax		6,316	2,222
Tax on profit	12	(1,217)	(500)
Profit for the financial year		5,099	1,722

There was no other comprehensive income for 2018 (2017: £Nil).

The notes on pages 11 to 23 form part of these financial statements.

**BALANCE SHEET
AS AT 31 MARCH 2018**

	Note	2018 £000	2018 £000	2017 £000	2017 £000
Fixed assets					
Tangible assets	13		785		158
			<u>785</u>		<u>158</u>
Current assets					
Stocks	14	2,596		2,609	
Debtors	15	31,760		26,986	
Cash at bank and in hand		9,060		2,385	
		<u>43,416</u>		<u>31,980</u>	
Creditors: amounts falling due within one year	16	(29,546)		(22,275)	
Net current assets			13,870		9,705
Debtors: amounts falling due after more one year		234		-	
Creditors: amounts falling due after more than one year		(243)		-	
		<u>(9)</u>			
Total assets less current liabilities			14,646		9,863
Provisions for liabilities					
Dilapidations	18		-		(316)
Net assets			14,646		9,547
Capital and reserves					
Called up share capital	19		20		20
Profit and loss account	20		14,626		9,527
Total shareholders' funds			14,646		9,547

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

2nd August 2018 by:

J Hodge
Director

The notes on pages 11 to 23 form part of these financial statements.

WICK HILL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 1 April 2016	20	7,805	7,825
Comprehensive income for the financial year			
Profit for the financial year	-	1,722	1,722
Total comprehensive income for the financial year	-	1,722	1,722
At 1 April 2017	20	9,527	9,547
Comprehensive income for the year			
Profit for the financial year	-	5,099	5,099
Total comprehensive income for the financial year	-	5,099	5,099
At 31 March 2018	20	14,626	14,646

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

Wick Hill Limited's (the "company") principal activities are that of value added distribution of computer hardware and software with associated services, primarily in the areas of security, performance, access, management and convergence.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is: River Court, Albert Drive, Woking, Surrey, GU21 5RP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Rigby Group (RG) Plc as at 31 March 2018 and these financial statements may be obtained from Bridgeway House, Bridgeway, Stratford Upon Avon, Warwickshire, England, CV37 6YX.

2.3 Revenue recognition

Revenue is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Revenue from the sale of goods is recognised when the goods are physically delivered to the customer.

Revenue from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where support services are provided directly by the company, the income is included in turnover spread evenly over the duration of each contract.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.4 Tangible assets

Tangible 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 the Statement of Comprehensive Income 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.

Depreciation is provided on the following basis:

Motor vehicles	- 33% per annum on cost
Fixtures and fittings	- 33% per annum on cost
Office equipment	- 20-33% per annum on cost
Leasehold improvements	- 20% per annum on cost

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.

Depreciation is not provided on assets in the course of construction until the asset is complete and ready for its intended use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.7 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.

2.8 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 debtors and creditors, loans from banks and other third parties and loans to related parties.

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.

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.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the contracted exchange rate 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 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'.

2.11 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.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

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 payment 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

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.

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 charge 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.17 Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the company is expected to benefit. This period is between three and five years. Provision is made for any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.18 Related Party Transactions

The company is a wholly-owned subsidiary of Nuvias Group Limited. The company has taken advantage of the exemption contained in FRS 102 section 33 and has therefore not disclosed transactions or balances with wholly-owned entities which form part of its group at the date of the transaction. Transactions with group entities that are not wholly-owned have been disclosed. Where a fellow member of the group was partly-owned at the date of the transaction but wholly-owned at the reporting date, the transactions have been disclosed. The consolidated financial statements of Rigby Group (RG) plc, within which this company is included, can be obtained from the address given in note 23.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements and key sources of estimation uncertainty:

(i) Tangible fixed assets (see note 13)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

(ii) Stocks (see note 14)

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value. In calculating net realisable value stocks are assessed for impairment. If stock is deemed to be impaired an estimate is made of the value of the impairment and the carrying amount is reduced to selling price less costs to complete and sell. A provision is held against the value of stock, which is based on the ageing of stock held, and relevant specific circumstances taken into account.

(iii) Trade Debtors impairment loss (see note 15)

Trade debtors are reviewed for impairment loss on an annual basis and provision made for any balances where there is uncertainty against the recoverability of the balance. This methodology is applied on a customer by customer basis.

(iv) Creditors, provisions and liabilities (see note 16 and 18)

These are recognised at the Balance Sheet date and include amounts for accrued holiday pay, dilapidations, deferred tax, management and employee bonuses. Although these amounts are reviewed on a regular basis and adjusted to reflect management's best current estimates, the judgmental nature of these items means that future amounts settled may be different from those provided.

(v) Leases (see note 22)

Leases are reviewed to determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

WICK HILL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018****4. Turnover**

	2018 £000	2017 £000
Sale of goods	138,124	117,070
Rendering of services	636	703
	138,760	117,773

The company's turnover and profit before taxation was all derived from its principal activities. In the opinion of the directors a geographical analysis of turnover would be seriously prejudicial to the interests of the company and as a result no such analysis has been disclosed.

5. Other operating income

	2018 £000	2017 £000
Management charges receivable	1,403	-

6. Operating profit

The operating profit is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible assets (note 13)	91	143
Impairment charge of intangible assets	-	1,580
Exchange differences	806	1,036
Loss on Disposal of Fixed Assets	12	-
Operating lease rentals	160	93

7. Auditors' remuneration

	2018 £000	2017 £000
Fees payable to the company's auditors for the audit of the company's annual financial statements	21	28
Fees payable to the company's auditors in respect of:		
Other non-audit services	2	3
	2	3

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2018 £000	2017 £000
Wages and salaries	3,766	3,666
Social security costs	433	421
Other pension costs (note 21)	167	140
	4,366	4,227

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

	2018 Number	2017 Number
Production staff	44	53
Administrative staff	41	27
	85	80

9. Directors' remuneration

	2018 £000	2017 £000
Aggregate directors' emoluments	185	208
	185	208

The highest paid director received remuneration of £176,000 (2017: £150,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2017: £Nil).

10. Interest receivable and similar income

	2018 £000	2017 £000
Other interest receivable	186	86

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**
11. Interest payable and similar charges

	2018 £000	2017 £000
Other loan interest payable	4	23

12. Tax on profit

	2018 £000	2017 £000
Corporation tax		
Current tax on profits for the year	1,212	536
Adjustments in respect of previous periods	(18)	-
Total current tax	1,194	587
Deferred tax		
Origination and reversal of timing differences	(4)	(83)
Adjustment in respect of previous periods	27	(15)
Effect of changes in tax rates	-	11
Total deferred tax charge/(credit)	23	(87)
Tax on profit	1,217	500

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £000	2017 £000
Profit before taxation	6,316	2,222
Profit multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	1,200	444
Effects of:		
Effect of expenses not deductible for tax purposes	9	10
Group losses	-	-
Adjustments in respect of prior periods	8	35
Tax rate changes	-	11
Tax on profit	1,217	500

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**
12. Tax on profit (continued)**Factors that may affect future tax charges**

The July 2015 Budget Statement announced changes to the UK Corporation tax regime which will reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020 and further change was announced in the March 2016 budget to further reduce the rate to 17% from 1 April 2020. These changes have been substantively enacted at the year end date.

13. Tangible assets

	Leasehold improvements £'000	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost					
At 1 April 2017	-	18	552	666	1,236
Additions	474	-	152	103	729
Disposals	-	-	(552)	(34)	(586)
At 31 March 2018	474	18	152	735	1,379
Accumulated					
At 1 April 2017	-	18	527	533	1,078
Charge for the year	-	-	20	71	91
Disposals	-	-	(547)	(28)	(586)
At 31 March 2018	-	18	-	576	594
Net book value					
At 31 March 2018	474	-	152	159	785
At 31 March 2017	-	-	25	133	158

14. Stocks

	2018 £000	2017 £000
Finished goods and goods for resale	2,596	2,609

Stock recognised in cost of sales during the year as an expense was £127,338,000 (2017: £106,636,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Debtors

	2018 £000	2017 £000
Trade debtors	10,276	9,167
Amounts owed by group undertakings	19,669	17,296
Other debtors	775	47
Prepayments and accrued income	1,018	431
Deferred taxation (note 17)	22	45
	31,760	26,986

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

16. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	21,595	17,730
Amounts owed to group undertakings	2,860	-
Corporation tax	592	149
Other taxation and social security	126	508
Derivative financial liability	-	-
Accruals and deferred income	4,373	3,888
	29,546	22,275

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

17. Deferred taxation

	2018 £000
Deferred tax asset at 1 April 2017	45
Deferred tax charge to income statement for the period	4
Adjustment in respect of prior years	(27)
Deferred tax asset at 31 March 2018	22

WICK HILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

17 Deferred taxation (continued)

	2018 £000	2017 £000
Accelerated capital allowances	14	(11)
Short term timing differences - trading	8	56
	<u>22</u>	<u>45</u>

18 Provisions for liabilities

	Dilapidations £000
At 1 April 2017	316
Credited to profit or loss	(316)
At 31 March 2018	<u>-</u>

Provision relates to dilapidations on one property, which was utilised in the year.

19 Called up share capital

	2018 £000	2017 £000
Shares classified as equity		
Allotted, called up and fully paid		
20,000 (2017: 20,000) Ordinary shares of £1 (2017: £1) each	<u>20</u>	<u>20</u>

The issued shares carry voting rights and are entitled to dividends and repayment of capital on a winding up.

20 Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

21 Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £167,000 (2017: £140,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

22 Commitments under operating leases

At 31 March the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £000	2017 £000
Not later than 1 year	124	89
Later than 1 year and not later than 5 years	1,306	4
Later than 5 years	-	-
	<hr/> 1,430 <hr/>	<hr/> 93 <hr/>

23 Ultimate parent undertaking and controlling party

Ultimate parent undertaking

Rigby Group (RG) Plc is regarded by the directors as being the company's ultimate parent company.

The principal place of business of Rigby Group (RG) Plc is at Bridgeway House, Stratford-upon-Avon, Warwickshire, CV37 6YX. Rigby Group (RG) Plc is the largest group to consolidate these financial statements. The consolidated financial statements of Rigby Group (RG) Plc can be obtained from Bridgeway House, Bridgeway, Stratford-Upon-Avon, Warwickshire, England, CV37 6YX.

The smallest group within which these financial statements will be consolidated is Nuvias Group Limited. The consolidated financial statements of Nuvias Group Limited can be obtained from 80 Brook Street, Mayfair, London, England, W1K 5EG.

Ultimate controlling party

The immediate parent company is Wick Hill Group Limited, which holds all of the issued ordinary share capital.

Sir Peter Rigby, a director of Rigby Group (RG) Plc, controlled the company as a result of holding (directly and indirectly) 75% of the issued ordinary share capital of Rigby Group (RG) Plc, the ultimate parent undertaking.