

# Wyndeham Peterborough Limited

ANNUAL REPORT AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016



# Wyndeham Peterborough Limited

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# Wyndeham Peterborough Limited

## COMPANY INFORMATION

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### DIRECTORS

R Kingston  
D Read  
Z Repman  
P Utting

### REGISTERED OFFICE

22 Westside Centre  
London Road  
Colchester  
CO3 8PH

### PRINCIPAL PLACE OF BUSINESS

Storeys Bar Road  
Peterborough  
PE1 5YS

### AUDITOR

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

# Wyndeham Peterborough Limited

## STRATEGIC REPORT

for the year ended 31 December 2016

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### REVIEW OF THE BUSINESS

The profit before taxation of the company for the year was £2,758,000 (2015: £208,000). The increase reflects increased turnover and improved efficiencies.

The company's financial position at the year end is as set out in the balance sheet on page 9. Details of the balances with group companies are shown in notes 9 and 10.

On 22 June 2016, Walstead Group Limited, brought together three key printing entities; Walstead UK Limited (operating 4 web offsite printing entities, 1 short grain facility and pre-media and graphic services in the UK), Walstead Iberia Limited (operating 1 web offset and 1 gravure facility in Spain) and Walstead CE Limited, an intermediate holding company of Let's Print Holding (2 web offset printing locations in Austria, 1 in the Czech Republic and 1 in Slovenia) with the aim of being the number one commercial printing and print related services company in Europe. The acquisition of these leading printing facilities was assisted with funds from Rutland Partners, who hold the majority of the shares in the Company. The senior management team retain 47% of the shareholding and are highly motivated to manage and develop the enlarged Group.

The group manages and reports on its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Information regarding company performance and relevant information for the year as well as Key Performance Indicators is contained within the consolidated financial statements of the ultimate parent company, Walstead Holdings Limited.

### PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure in the UK is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by ensuring the quality of its products, by providing added value services to its customers, having fast response times not only in supplying products but in handling all customer queries and by maintaining strong relationships with customers. The group strategy is to focus on markets with greatest longevity and where competition is weak.

Following "Brexit", potential significant purchasing risks exist in relation to trade within the European Union. The increased diversification into the Central European markets reduces the group's dependency on the UK market. The reduced dependency on the UK market reduces the risk to the group of a recession or downturn in the market in the UK. In addition the group has very little cross border trade from the UK into Europe or from Europe into the UK. Therefore the position of any tariffs following Brexit would present little risk to the business.

The Company places reliance on its key suppliers, and there is a potential risk that a supply disruption could impact customer satisfaction as an inability to print to schedule, leading to loss of revenue. The group has processes in place to manage and monitor exposure to significant counterparties centrally and within the manufacturing sites; where we are exposed regarding specialised products suppliers and customer communication is at the heart of the process to ensure delivery is maintained. For all of our key purchases we have relationships with alternative suppliers should there be a failure amongst any of the key suppliers.

The Company places reliance on its key employees, with inherent risk that the resignation of key employees and the inability to recruit people with the right expertise and skills could adversely affect the group's results. Training programmes and succession planning reduce this risk so that we have continuity. Incentive programmes also assist in retaining staff.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Company has no significant concentration of credit risk.

# Wyndeham Peterborough Limited

STRATEGIC REPORT (continued)  
for the year ended 31 December 2016

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The Company is financed by a group treasury function. The principal financial risks are discussed in the parent company Walstead Group Limited consolidated Annual Report.

## FUTURE DEVELOPMENTS

There have not been any significant changes in the company's principal activity during the year under review and the directors are not aware of any likely major changes in the company's activities or prospects in the next year.

By order of the board and signed on its behalf.



Z Repman  
Director

29 September 2017

# Wyndeham Peterborough Limited

## DIRECTORS' REPORT

for the year ended 31 December 2016

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The directors present their Annual Report on the affairs of Wyndeham Peterborough Limited ('the Company') together with the audited Financial Statements of for the year ended 31 December 2016.

### PRINCIPAL ACTIVITY

The company's principal activity is quality web-offset lithographic colour printing of magazines, journals and brochures for the publishing sector.

### DIVIDENDS

The directors have paid no dividend in 2016 (2015: £890,841).

### DIRECTORS

The directors who served the company during the year and to the date of this report were as follows:

R Fookes – resigned 22 June 2016  
R Kingston  
D Read  
Z Repman  
P Utting

### DIRECTORS' INDEMNITIES

The company has made qualifying their party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the financial statements. Further details on the adoption of the going concern basis can be found in the Accounting Policies in the financial statements.

### STRATEGIC REPORT

Review of the business, Key performance indicators, Principal risks and uncertainties and Future developments are not shown within this Directors' Report as it is instead included within the Strategic Report on pages 2 and 3 under S414c(11).

### APPROVAL OF REDUCED DISCLOSURES

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intend to take advantage of these exemptions in the financial statements to be issued in the following year.

# Wyndeham Peterborough Limited

## DIRECTORS' REPORT (Continued)

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### AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By order of the board and signed on its behalf



Z Repman  
Director

29 September 2017

# Wyndeham Peterborough Limited

## DIRECTORS' RESPONSIBILITIES STATEMENT

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 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.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYNDEHAM PETERBOROUGH LIMITED

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We have audited the financial statements of Wyndeham Peterborough Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Change of Equity and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and the 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment as obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
WYNDEHAM PETERBOROUGH LIMITED (continued)

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**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.

*DL Laurent*

Diane Petit-Laurent ACA (Senior Statutory Accountant)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London  
United Kingdom  
29 September 2017

**Wyndeham Peterborough Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 31 December 2016

|   | <i>Note</i> | 2016<br>£000 | <i>Restated</i><br>2015<br>£000 |
|---|-------------|--------------|---------------------------------|
| TURNOVER                                      | 1           | 29,006       | 23,240                          |
| Cost of sales                                 |             | (22,422)     | (19,249)                        |
| Gross profit                                  |             | 6,584        | 3,991                           |
| Distribution costs                            |             | (1,151)      | (1,166)                         |
| Administrative expenses                       |             | (2,957)      | (2,643)                         |
|   |             | 2,476        | 182                             |
| Other operating income                        | 18          | 608          | 416                             |
| OPERATING PROFIT                              |             | 3,084        | 598                             |
| Interest payable and similar charges          | 5           | (326)        | (390)                           |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 2           | 2,758        | 208                             |
| Taxation on ordinary activities               | 6           | 240          | 240                             |
| PROFIT FOR THE FINANCIAL YEAR                 | 18          | 2,998        | 448                             |

The operating profit for the year arises from the company's continuing operations.

The financial statements have been restated to incorporate the misclassification of waste paper sales as other operating income. There has been no change in profit for the financial year for both the current or preceding year.

# Wyndeham Peterborough Limited

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

|  | <i>Note</i> | 2016<br>£000 | 2015<br>£000 |
|--|-------------|--------------|--------------|
| <b>FIXED ASSETS</b>                          |             |              |              |
| Tangible assets                              | 7           | 7,102        | 7,297        |
| <b>CURRENT ASSETS</b>                        |             |              |              |
| Stocks                                       | 8           | 1,485        | 1,417        |
| Debtors                                      | 9           | 13,542       | 10,840       |
| Cash at bank and in hand                     |             | 6            | 5            |
|  |             | 15,033       | 12,262       |
| <b>NON CURRENT ASSETS</b>                    |             |              |              |
| Deferred taxation                            | 13          | 219          | -            |
| <b>CREDITORS</b>                             |             |              |              |
| Amounts falling due within one year          | 10          | (8,577)      | (8,574)      |
| <b>NET CURRENT ASSETS</b>                    |             | 6,456        | 3,688        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |             | 13,777       | 10,985       |
| <b>CREDITORS</b>                             |             |              |              |
| Amounts falling after more than one year     | 11          | (537)        | (722)        |
| <b>PROVISIONS FOR LIABILITIES</b>            |             |              |              |
| Deferred taxation                            | 13          | -            | (21)         |
| <b>NET ASSETS</b>                            |             | 13,240       | 10,242       |
| <b>CAPITAL AND RESERVES</b>                  |             |              |              |
| Called up share capital                      | 17          | -            | -            |
| Profit and loss account                      |             | 13,240       | 10,242       |
| <b>SHAREHOLDER'S FUNDS</b>                   |             | 13,240       | 10,242       |

The financial statements and accompanying notes were approved by the board of directors and authorised for issue on 29 September 2017 and are signed on its behalf by:



Z Repman  
Director

# Wyndeham Peterborough Limited

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2016

|                                | Share<br>capital<br>£000 | Retained<br>earnings<br>£000 | Total<br>equity<br>£000 |
|--------------------------------|--------------------------|------------------------------|-------------------------|
| Balance as at 1 January 2015   | —                        | 10,685                       | 10,685                  |
| Changes in equity              |                          |                              |                         |
| Dividends                      | —                        | (891)                        | (891)                   |
| Profit for the year            | —                        | 448                          | 448                     |
| Balance as at 31 December 2015 | —                        | 10,242                       | 10,242                  |
| Profit for the year            | —                        | 2,998                        | 2,998                   |
| Balance as at 31 December 2016 | —                        | 13,240                       | 13,240                  |

# Wyndeham Peterborough Limited

## STATEMENT OF ACCOUNTING POLICIES (continued)

For the year ended 31 December 2016

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Wyndeham Peterborough Limited is a company incorporated in the UK under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales with registration number 02261988. The address of the Company's registered office is 22 Westside Centre, London Road, Colchester, Essex CO3 8PH, UK

The presentation currency of the financial statements is the pound sterling (£).

The principal activity of the Company is quality web-offset printing of magazines for the publishing sector.

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intend to take advantage of these exemptions in the financial statements to be issued in the following year.

### GOING CONCERN

The financial statements have been prepared using the going concern of accounting. In reaching their decision to prepare the financial statement on a going concern basis, the Directors have considered the impact of the current economic climate on both the Company and also the Group of which it is a member.

Having given due consideration to the above and the anticipated future performance of the Company, taking into account reasonably possible changes in trading performance in light of uncertainty related to current unfavourable economic conditions, the Directors have been able to form a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

### CASH FLOW STATEMENT

The directors have taken advantage of the exemption in FRS 102 from including a cash flow statement in the financial statements on the grounds that the company is wholly-owned and its ultimate parent, Walstead Holdings Limited, publishes a consolidated cash flow statement.

### TURNOVER

Turnover represents the amount derived from the provision of goods which fall within the company's ordinary activities stated net of value added tax. Turnover is recognised within the financial statements upon delivery of the goods or services.

### FIXED ASSETS

Fixed assets are initially stated at cost and reviewed annually for indicators of impairment.

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

|                   |                        |
|-------------------|------------------------|
| Plant & machinery | 3% - 33% straight-line |
|-------------------|------------------------|

### LEASING AND HIRE PURCHASE CONTRACTS

Assets held under finance leases and hire purchase contracts are included in tangible fixed assets and are depreciated over the shorter of the contract term or their useful life. The net obligation relating to finance leases and hire purchase contracts is included as a liability. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Statement of Income and Retained Earnings over the period of the lease. Costs in respect of operating leases are charged to the Statement of Income and Retained Earnings on a straight-line basis over the length of the lease.

# Wyndeham Peterborough Limited

## STATEMENT OF ACCOUNTING POLICIES (continued)

For the year ended 31 December 2016

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### STOCKS

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis and comprises labour, materials and overheads related to production. Net realisable value is based on estimated selling price less the estimated cost of disposal and where this is lower than cost a provision is held for the shortfall.

### LEASES

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

### PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Statement of Income and Retained Earnings.

### TAXATION

Current tax liabilities and assets are recognised for current and prior period taxes, based on transactions or other events recognised in these financial statements. Current tax is measured using the tax rates and laws that have been enacted or substantially enacted by the reporting date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into pound sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

### DEBT FINANCING

Trade debtors are subject to a financing agreement whereby an advance is received based upon and secured against trade receivables. Where the company has retained significant benefits and risks relating to the financed debts, separate presentation is adopted whereby the gross debts and a corresponding liability in respect of the advance received are shown separately on the balance sheet. The interest element of the finance charge is recognised as it accrues and is included in the Statement of Income and Retained Earnings with other interest charges.

# Wyndeham Peterborough Limited

## STATEMENT OF ACCOUNTING POLICIES (continued)

For the year ended 31 December 2016

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### FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

#### Trade debtors

Trade debtors do not carry any interest and are stated at nominal amount less any provision for estimated irrecoverable amounts.

#### Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value.

#### Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received. Finance charges are accounted for on an accruals basis.

### CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

#### Critical judgements in applying the Company's accounting policies

There are not considered to be any critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies.

#### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. The financial effect of shortening the useful life by 2 years is a 25% increase in depreciation charge which would increase loss before taxation by 37% for the current period.



# Wyndeham Peterborough Limited

## NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2016

### 1 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

|                | 2016          | 2015          |
|----------------|---------------|---------------|
|                | £000          | £000          |
| United Kingdom | 27,659        | 22,115        |
| Rest of Europe | 1,101         | 928           |
| Rest of World  | 246           | 197           |
|                | <u>29,006</u> | <u>23,240</u> |

### 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting):

|  | 2016 | 2015 |
|--|------|------|
|  | £000 | £000 |
| Depreciation of owned fixed assets                         | 827  | 699  |
| Depreciation of assets held under finance lease agreements | 585  | 506  |
| Auditor's remuneration                                     |      |      |
| - for the audit of the company's financial statements      | 18   | 18   |
| Operating lease costs:                                     |      |      |
| - Land and buildings                                       | 497  | 487  |
| Profit on disposal of fixed assets                         | (15) | (5)  |

Statutory information on remuneration for other services provided by the company's auditor and its associates is given on a consolidated basis in the Group Financial Statements of the ultimate parent company Walstead Holding Limited.

### 3 STAFF NUMBERS AND COSTS

The average monthly number of staff employed by the company during the financial year was:

|                | 2016       | 2015       |
|----------------|------------|------------|
|                | No         | No         |
| Production     | 157        | 150        |
| Administration | 17         | 16         |
|                | <u>174</u> | <u>166</u> |

The aggregate payroll costs of the above were:

|                       | 2016         | 2015         |
|-----------------------|--------------|--------------|
|                       | £000         | £000         |
| Wages and salaries    | 4,974        | 4,362        |
| Social security costs | 472          | 434          |
| Other pension costs   | 104          | 116          |
|                       | <u>5,550</u> | <u>4,912</u> |

# Wyndeham Peterborough Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2016

### 4 DIRECTORS' EMOLUMENTS

Certain directors are remunerated by other group companies for their services to the group as a whole and it is not practical to apportion their remuneration between the companies of which they are a director. Consequently their remuneration has not been disclosed in the company's Financial Statements.

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

|  | 2016       | 2015       |
|--|------------|------------|
|  | £000       | £000       |
| Debt financing interest                      | 244        | 282        |
| Finance charges in respect of finance leases | 82         | 108        |
|  | <u>326</u> | <u>390</u> |

### 6 TAXATION ON ORDINARY ACTIVITIES

Analysis of credit in the year

|                           | 2016       | 2015       |
|---------------------------|------------|------------|
|                           | £000       | £000       |
| Deferred Tax:             |            |            |
| Total deferred tax credit | <u>240</u> | <u>240</u> |

|                                      |            |            |
|--------------------------------------|------------|------------|
| Tax on profit on ordinary activities | <u>240</u> | <u>240</u> |
|--------------------------------------|------------|------------|

Factors affecting tax credit for the year

The tax assessed on the profit on ordinary activities for the year is lower than the effective standard rate of corporation tax in the UK of 20.00% (2015: 20.25%), as explained below:

|   | 2016         | 2015       |
|---|--------------|------------|
|   | £000         | £000       |
| Profit on ordinary activities before taxation | <u>2,758</u> | <u>208</u> |

Profit on ordinary activities at standard UK corporation tax rate of 20.00% (2015: 20.25%),

Effects of:

|   |              |              |
|---|--------------|--------------|
| Expenses not deductible for tax purposes                | 2            | 1            |
| Adjustment to tax charge in respect of previous periods | (2)          | -            |
| Re-measurement of deferred tax - change in tax rates    | 41           | 2            |
| Group relief claimed and not paid for                   | (833)        | (285)        |
| Total current tax                                       | <u>(240)</u> | <u>(240)</u> |

# Wyndeham Peterborough Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2016

### 7 TANGIBLE FIXED ASSETS

|                        | Plant and machinery<br>£000 |
|------------------------|-----------------------------|
| Cost                   |                             |
| At 1 January 2016      | 29,216                      |
| Additions              | 1,219                       |
| Disposals              | (38)                        |
| At 31 December 2016    | <u>30,397</u>               |
| Depreciation           |                             |
| At 1 January 2016      | 21,919                      |
| Charge for the year    | 1,412                       |
| Eliminated on disposal | (36)                        |
| At 31 December 2016    | <u>23,295</u>               |
| Net book value         |                             |
| At 31 December 2016    | <u>7,102</u>                |
| At 31 December 2015    | <u>7,297</u>                |

Included within the net book value of plant and equipment of £7,102,000 (2015: £7,297,000) is £1,470,000 (2015: £2,011,000) relating to assets held under hire purchase agreements. The depreciation charged to the Statement of Comprehensive Income in the year in respect of such assets amounted to £585,000 (2015: £506,000).

### 8 STOCKS

|                               | 2016<br>£000 | 2015<br>£000 |
|-------------------------------|--------------|--------------|
| Raw materials and consumables | 1,270        | 1,010        |
| Work in progress              | 215          | 407          |
|                               | <u>1,485</u> | <u>1,417</u> |

There are no material differences between the balance sheet value of stocks and their replacement value.

### 9 DEBTORS

|                                    | 2016<br>£000  | 2015<br>£000  |
|------------------------------------|---------------|---------------|
| Due within one year:               |               |               |
| Trade debtors                      | 4,044         | 3,838         |
| Amounts owed by group undertakings | 8,989         | 6,525         |
| Other debtors                      | 86            | -             |
| VAT and other taxes                | 257           | 324           |
| Prepayments and accrued income     | 166           | 153           |
|                                    | <u>13,542</u> | <u>10,840</u> |

# Wyndeham Peterborough Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2016

### 10 CREDITORS: Amounts falling due within one year

|  | 2016         | 2015         |
|--|--------------|--------------|
|  | £000         | £000         |
| Bank loans and overdrafts                | 1,978        | 2,918        |
| Trade creditors                          | 4,669        | 3,943        |
| Amounts owed to group undertakings       | 722          | 722          |
| Other taxation and social security costs | 143          | 136          |
| Finance leases and hire purchase         | 268          | 325          |
| Other creditors                          | 283          | 291          |
| Accruals and deferred income             | 514          | 239          |
|  | <u>8,577</u> | <u>8,574</u> |

Bank loans and overdrafts comprise financed receivables which are secured by fixed and floating charges over the assets of the company, and by guarantee of the other members of the Walstead UK Limited group.

Included within other creditors is £14,827 (2015: £26,447) of outstanding pension scheme payments.

### 11 CREDITORS: Amounts falling due after more than one year

|                                  | 2016       | 2015       |
|----------------------------------|------------|------------|
|                                  | £000       | £000       |
| Finance leases and hire purchase | 537        | 722        |
|                                  | <u>537</u> | <u>722</u> |

### 12 COMMITMENTS UNDER FINANCE LEASE AGREEMENTS

Future commitments under finance lease agreements are as follows:

|  | 2016       | 2015         |
|--|------------|--------------|
|  | £000       | £000         |
| Amounts payable within 1 year                                | 268        | 325          |
| Amounts payable between one and five years                   | 717        | 902          |
|  | <u>985</u> | <u>1,227</u> |
| Less interest and finance charges relating to future periods | (180)      | (180)        |
|  | <u>805</u> | <u>1,047</u> |
| Finance lease agreements are analysed as follows:            |            |              |
| Current obligations  | 268        | 325          |
| Non-current obligations                                      | 537        | 722          |
|  | <u>805</u> | <u>1,047</u> |

# Wyndeham Peterborough Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2016

### 13 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| Provision as at 1 January   | 21           | 261          |
| Statement of Income and Retained Earnings movement arising during the year (see note 6) | (240)        | (240)        |
| (Asset)/provision as at 31 December   | <u>(219)</u> | <u>21</u>    |

Deferred taxation is analysed as follows:

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| Capital allowances in advance of depreciation | -            | 24           |
| Other short term timing differences           | -            | (3)          |
|   | <u>-</u>     | <u>21</u>    |

Deferred tax is calculated at 20% (2015: 20%).

### 14 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2016 the company had total commitments under non-cancellable operating leases as set out below.

|                               | 2016                          |                                | 2015                          |                                |
|-------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
|                               | Land and<br>buildings<br>£000 | Plant and<br>machinery<br>£000 | Land and<br>buildings<br>£000 | Plant and<br>machinery<br>£000 |
| Operating lease payments due: |                               |                                |                               |                                |
| Within 1 year                 | 436                           | 46                             | 436                           | 46                             |
| Within 2 to 5 years           | 1,417                         | 29                             | 1,744                         | 75                             |
| After more than 5 years       | -                             | -                              | 109                           | -                              |
|                               | <u>1,853</u>                  | <u>75</u>                      | <u>2,289</u>                  | <u>121</u>                     |

### 15 CONTINGENT LIABILITY

The company has provided a guarantee to its parent companies and to its fellow subsidiaries to secure the bank borrowings of the group. At 31 December 2016 the amount guaranteed was £14,724,186 (2015: £24,998,538).

### 16 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption offered by FRS 102 section 33.1A (Related Party Disclosures) whereby transactions with other companies in which Walstead Group Limited had 100% of the voting rights are not disclosed in the Financial Statements.

# Wyndeham Peterborough Limited

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2016

### 17 CALLED UP SHARE CAPITAL

|  | 2016<br>£000 | 2015<br>£000 |
|--|--------------|--------------|
| Allotted, called up and fully paid:    |              |              |
| 2 Ordinary equity shares of £1.00 each | <u>—</u>     | <u>—</u>     |

### 18 OTHER OPERATING INCOME

The financial statements have been restated to incorporate the misclassification of waste paper sales as other operating income. The gross profit has reduced by £608,000 (2015: £416,000), there has been no change in Operating profit or the Statement of Financial Position.

Summary of prior year accounting impact

|                                    | 2016<br>£000 | 2015<br>£000 |
|------------------------------------|--------------|--------------|
| Increase in cost of sales          | (608)        | (416)        |
| Increase in other operating income | <u>608</u>   | <u>416</u>   |
|                                    | <u>—</u>     | <u>—</u>     |

### 19 ULTIMATE HOLDING COMPANY and ULTIMATE CONTROLLING PARTY

The ultimate holding company is Walstead Holdings Limited, a company registered in England, the immediate parent company is Wyndeham Holdings Limited, a company registered in England. The largest group preparing consolidated accounts that include the results of the company is Walstead Holdings Limited, a company registered in England. The statutory financial statements of Walstead Holdings Limited are available from Companies House.

On 22 June 2016 53% of the Walstead Holdings Limited share capital was purchased by Rutland Partners LLP, the ultimate controlling party