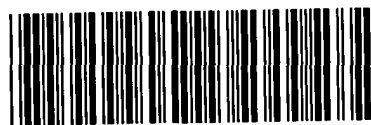


Audited Financial Statements for the Year Ended 31 December 2019

for

Wolf Laundry Limited

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Wolf Laundry Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2019**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

Wolf Laundry Limited

Company Information
for the Year Ended 31 December 2019

DIRECTORS:

J A Brown
M Keller
T E Marder
D T Riley

REGISTERED OFFICE:

Unit B8 Grove Park
Springvale Road Grimethorpe
Barnsley
South Yorkshire
S72 7BF

REGISTERED NUMBER:

08023858 (England and Wales)

INDEPENDENT AUDITORS:

Grant Thornton UK LLP
Chartered Accountants & Statutory
Auditor
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

Wolf Laundry Limited (Registered number: 08023858)

Balance Sheet
31 December 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	510,563	430,375
CURRENT ASSETS			
Stocks	7	722,872	419,594
Debtors	8	446,275	447,883
Cash at bank and in hand		100,595	2,645
		<u>1,269,742</u>	<u>870,122</u>
CREDITORS			
Amounts falling due within one year	9	<u>1,395,518</u>	<u>1,052,430</u>
NET CURRENT LIABILITIES		<u>(125,776)</u>	<u>(182,308)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>384,787</u>	<u>248,067</u>
CREDITORS			
Amounts falling due after more than one year	10	(182,445)	(202,290)
PROVISIONS FOR LIABILITIES		<u>(65,913)</u>	<u>-</u>
NET ASSETS		<u><u>136,429</u></u>	<u><u>45,777</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Retained earnings		<u>136,329</u>	<u>45,677</u>
SHAREHOLDERS' FUNDS		<u><u>136,429</u></u>	<u><u>45,777</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28/12/2020..... and were signed on its behalf by:

Josh Brown

.....
J A Brown - Director

The notes on pages 3 to 11 form part of these financial statements

Wolf Laundry Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1. STATUTORY INFORMATION

Wolf Laundry Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. CHANGE IN ACCOUNTING PERIOD

The prior accounting period had been lengthened to 18 months to align the company's year end with that of the ultimate controlling party. Therefore, for the current year, the year end will remain the same but the time scale will return to 12 months

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Going concern

These financial statements have been prepared on a going concern basis, which presumes the realisation of assets and discharge of liabilities under the normal course of the business for the foreseeable future.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets, settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the on going operations of the company and that the Company receives support from its parent undertaking which has confirmed that it will provide the necessary financial support for at least 12 months from the signing of these accounts. The directors have prepared forecasts to 31 December 2021 which show that the company can meet its liabilities as they fall due. The directors consider that the going concern basis of accounting continues to be appropriate for the preparation of the financial statements.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company and
- the costs incurred in respect of the transaction may be measured reliably.

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 2% straight line
Plant and machinery	- 20% straight line
Fixtures and fittings	- 25% straight line
Motor vehicles	- 33% Straight Line

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

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

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, 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 the 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 spot exchange rates at the dates of the transactions.

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

Hire purchase and leasing commitments

Rentals paid under the operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of income and retained earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment

3. ACCOUNTING POLICIES - continued

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.

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.

Provisions

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 profit and loss account in the year the company becomes aware of the obligation, and are measured as the best estimate at balance sheet date of the expenditure required to settle the obligation, taking into account the uncertainties. When payments are eventually made, they are charged to the provision carried in the balance sheet.

Employee benefits

Short term employee benefits, including holiday pay and other similar non monetary benefits, are recognised as an expense in the period in which they are incurred.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2018 - 18).

5. AUDITORS' REMUNERATION

	Year Ended 31/12/19 £	Period 1/5/18 to 31/12/18 £
Fees payable to the company's auditors for the audit of the company's financial statements	<u>13,500</u>	<u>-</u>

Wolf Laundry Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2019	179,412	306,546	15,293	75,831	577,082
Additions	-	67,350	-	110,867	178,217
Disposals	-	(73,225)	-	-	(73,225)
At 31 December 2019	179,412	300,671	15,293	186,698	682,074
DEPRECIATION					
At 1 January 2019	13,234	76,863	7,374	49,236	146,707
Charge for year	3,588	15,941	2,139	25,956	47,624
Eliminated on disposal	-	(22,820)	-	-	(22,820)
At 31 December 2019	16,822	69,984	9,513	75,192	171,511
NET BOOK VALUE					
At 31 December 2019	162,590	230,687	5,780	111,506	510,563
At 31 December 2018	166,178	229,683	7,919	26,595	430,375

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	111,506	26,595
	<u>111,506</u>	<u>26,595</u>

The depreciation charge for the year on the assets held under finance leases or hire purchase contracts was £25,956 (2018: £7,255).

7. STOCKS

	2019 £	2018 £
Stocks	706,118	404,594
Finished goods	16,754	15,000
	<u>722,872</u>	<u>419,594</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	325,678	373,817
Amounts owed by group undertakings	92,018	65,382
Other debtors	28,579	8,684
	<u>446,275</u>	<u>447,883</u>

Wolf Laundry Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	12,255	5,924
Hire purchase contracts	47,941	11,526
Trade creditors	350,787	484,532
Amounts owed to parent undertaking	500,000	-
Amounts owed to group undertakings	150,000	-
Taxation and social security	131,186	112,558
Other creditors	203,349	437,890
	<u>1,395,518</u>	<u>1,052,430</u>

Included within creditors due in less than one year is a bank loan of £12,255 (2018 - £5,924) which is secured against the assets of the company. The term of the loan is 11 years from the date of drawdown. Interest will be charged at 3% per annum over the base rate.

Included within creditors due in less than one year are other loans of £73,136 (2018 - £103,216) which are secured against the assets of the company.

Included within creditors due in less than one year are obligations under finance lease and hire purchase contracts of £41,717 (2018 - £11,526) which are secured against the assets to which they relate.

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Bank loans	69,211	78,909
Hire purchase contracts	59,937	9,903
Other creditors	53,297	113,478
	<u>182,445</u>	<u>202,290</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans	<u>20,192</u>	<u>55,214</u>

Included within creditors due in over one year is a bank loan of £69,211 (2018 - £78,909) which is secured against the assets of the company. The term of the loan is 11 years from the date of drawdown. Interest will be charged at 3% per annum over the base rate.

Included within creditors due in over one year are other loans of £53,297 (2018 - £113,478) which are secured against the assets of the company.

Included within creditors due in over one year are obligations under finance lease and hire purchase contracts of £59,937 (2018 - £9,903) which are secured against the assets to which they relate.

Wolf Laundry Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019	2018
Number:	Class:		£	£
100	Ordinary	1.00	<u>100</u>	<u>100</u>

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was qualified on the following basis:

Basis for qualified opinion

With respect to the opening stock having a carrying amount of £419,594 the audit evidence available to us was limited because an itemised stock listing was not available and we did not observe the counting of the physical stock as at 31 December 2018, since that date was prior to our appointment as auditor of the company. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock valuation and quantities by using other audit procedures.

Since the opening stock affects the financial result for the current year, we are unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the Statement of Income and Retained Earnings.

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.

Other matter - prior year financial statements unaudited

The company was not required to have a statutory audit for the year ended 31 December 2018 as it was entitled to exemption from the provision of the Companies Act 2006 relating to the audit of the financial statements for the period by virtue of section 477 and no member or members requested an audit pursuant to section 476 of the Act. Accordingly, the corresponding figures for the year ended 31 December 2018 are unaudited.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

Natalie Gladwin BSc FCA (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP

13. PENSION COMMITMENTS

During the year the company operated a defined contribution pension scheme benefit of its employees. The total contributions paid totalled £23,082 (2018: £16,113) and the contributions outstanding at the year end totalled £7,502 (£1,254).

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the year ended 31 December 2019 and the period ended 31 December 2018:

	2019 £	2018 £
J A Brown		
Balance outstanding at start of year	(69,749)	(44,749)
Amounts repaid	-	(25,000)
Amounts written off	-	-
Amounts waived	-	-
	<hr/>	<hr/>
Balance outstanding at end of year	<u>(69,749)</u>	<u>(69,749)</u>
 D T Riley		
Balance outstanding at start of year	(50,396)	52,742
Amounts advanced	78,137	-
Amounts repaid	(52,742)	(103,138)
Amounts written off	-	-
Amounts waived	-	-
	<hr/>	<hr/>
Balance outstanding at end of year	<u>(25,001)</u>	<u>(50,396)</u>

15. RELATED PARTY TRANSACTIONS

At 31 December 2019 there was an unsecured loan between a director and the company. The balance at the year end owed to the director totalled £69,749 (2018: £69,749). The maximum overdrawn balance during the year totalled £69,749. No interest has been charged on this loan account.

At 31 December 2019 there was an unsecured loan between a director and the company. The balance at the year end owed to the director totalled £25,001 (2018: £50,396). No interest has been charged on this loan account.

During the year, purchases of goods and services amounting to £10,000 (2018: £10,000) and sales of goods and services amount to £20,740 (2018: £20,740) were made from a related company under common control. At the year end, a balance of £5,368 (2018: £4,900) was owed from this entity. At the year end, a balance of £Nil (2018: £6,273) was owed to this entity.

The company has taken advantage of the exemption in the Section 1A of FRS102 to not disclose transactions entered into with wholly owned group companies.

No further transactions with related parties were undertaken such as required to be disclosed under Section 1A FRS 102.

16. ULTIMATE CONTROLLING PARTY

The immediate parent entity is Wolf Laundry Holdings Limited.

From 11 January 2019 the ultimate parent company of Wolf Laundry Holdings Limited is Nibe Industrier AB.

The registered address of Nibe Industrier AB is Box 14, SE-285 21 Markaryd, Sweden.