

WAI Global UK Limited

Annual Report and Abridged Financial Statements

for the Year Ended 31 December 2017

Blue Spire Limited
Chartered Accountants and Statutory Auditors
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

WAI Global UK Limited

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WAI Global UK Limited

Company Information

Directors	Mr R Welland Mr D Moul Mr J Sween
Company secretary	Mr R Welland
Registered office	Sovereign House Christie Place, Durban Road Bognor Regis West Sussex PO22 9RT
Solicitors	Shoosmiths Russell House 1550 Parkway Solent Business Park Fareham Hampshire PO15 7AG
Bankers	HSBC Chichester 94 East Street Chichester West Sussex PO19 1HD
Auditors	Blue Spire Limited Chartered Accountants and Statutory Auditors Cawley Priory South Pallant Chichester West Sussex PO19 1SY

WAI Global UK Limited

(Registration number: 05182619) Abridged Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	11,535	14,849
Current assets			
Stocks	5	-	2,182,352
Debtors		106,028	(2,652,797)
Cash at bank and in hand		57,041	361,254
		<u>163,069</u>	<u>(109,191)</u>
Prepayments and accrued income		91,486	93,445
Creditors: Amounts falling due within one year		<u>(169,744)</u>	<u>(376,316)</u>
Net current assets/(liabilities)		<u>84,811</u>	<u>(392,062)</u>
Total assets less current liabilities		96,346	(377,213)
Provisions for liabilities		2,025	129,807
Accruals and deferred income		<u>(32,000)</u>	<u>(220,999)</u>
Net assets/(liabilities)		<u>66,371</u>	<u>(468,405)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>66,271</u>	<u>(468,505)</u>
Total equity		<u>66,371</u>	<u>(468,405)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 5 June 2018 and signed on its behalf by:

.....

Mr R Welland

Director

The notes on pages [3](#) to [7](#) form an integral part of these abridged financial statements.

WAI Global UK Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Sovereign House
Christie Place, Durban Road
Bognor Regis
West Sussex
PO22 9RT
England & Wales

These financial statements were authorised for issue by the Board on 5 June 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 5 June 2018 was James O'Rourke FCA, who signed for and on behalf of Blue Spire Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or

substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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Notes to the Abridged Financial Statements for the Year Ended 31 December 2017

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Machinery	25% straight line basis
Fixtures & Fittings	33% straight line basis
Motor Vehicles	25% straight line basis
Land & Buildings	25% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Abridged Financial Statements for the Year Ended 31 December 2017

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 23 (2016 - 56).

4 Tangible assets

	Total £
Cost or valuation	
At 1 January 2017	277,066
Additions	1,631
Disposals	<u>(35,000)</u>
At 31 December 2017	<u>243,697</u>
Depreciation	
At 1 January 2017	262,217
Charge for the year	4,945
Eliminated on disposal	<u>(35,000)</u>
At 31 December 2017	<u>232,162</u>
Carrying amount	
At 31 December 2017	<u><u>11,535</u></u>
At 31 December 2016	<u><u>14,849</u></u>

Included within the net book value of land and buildings above is £1,881 (2016 - £3,321) in respect of freehold land and buildings.

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Notes to the Abridged Financial Statements for the Year Ended 31 December 2017

5 Stocks

	2017 £	2016 £
Other inventories	-	2,182,352

6 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A Shares of £0.50 each	200	100.00	200	100.00

7 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	220,330	238,951
Contributions paid to money purchase schemes	2,116	2,231
	222,446	241,182

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	2	2

Summary of transactions with parent

Wetherill Enterprises Inc. (Parent company registered in the USA)

The parent company pays commission on a monthly basis to the company for dealing with the UK sales.

Income and receivables from related parties

	Parent £
2017	
Receipt of services	2,243,456
Amounts receivable from related party	387,570

	Parent £
2016	
Receipt of services	500,000

Expenditure with and payables to related parties

	Parent £
2017	
Amounts payable to related party	650,740

	Parent £
2016	

Purchase of goods

2,114,818

Amounts payable to related party

4,837,605

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Notes to the Abridged Financial Statements for the Year Ended 31 December 2017

Loans from related parties

	Parent
	£
2017	
At start of period	661,147
Interest transactions	6,215
Impairment	(16,622)
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At end of period	<u>650,740</u>
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2016	
At start of period	656,930
Interest transactions	4,217
	<hr/>
At end of period	<u>661,147</u>
	<hr/>

8 Parent and ultimate parent undertaking

The company's immediate parent is Wetherill Enterprises Inc., incorporated in United States of America.