

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the 53 weeks ended 2 June 2018.

DIVIDENDS

The directors propose a final ordinary dividend in respect of the current financial year of 45p per share (2017: 30p) totalling £1,698,000 (2017: £1,132,000). This has not been included within creditors as it was not approved by shareholders before the year end.

DIRECTORS AND OFFICERS

The directors and officers who held office during the year were as follows:

D.J. Biggar
P.A. Murray (Company Secretary)
J.L. Ritzema
D.A. Routledge
A.I.T. Stewart (resigned 31 May 2017)
M.S. Ward
P.J. Murray (appointed 3 April 2018)

Under the Companies Act 2006 there is no requirement for the directors of a private company to retire by rotation.

At no time during the year did any director have a material interest in a contract with the company other than as a customer in the normal course of business; these contracts were not significant in relation to the company's activities. No directors benefited from qualifying third party indemnity provisions.

EMPLOYMENT

The company operates a decentralised operating structure, enabling employees to be closely involved with their own business unit. As part of this structure, procedures exist for employee communication, consultation, training and personal development. The company tries to ensure that, so far as possible, employee views are taken into account when decisions are made that are likely to affect their interests. A monthly email newsletter is used to brief employees on the financial performance of the company and to keep them abreast of news on employees, customers, suppliers, business units and capital projects.

WCF operates an equal opportunities employment policy and is opposed to all forms of discrimination. Our selection processes are non-discriminatory and always seek to give full and fair consideration to those with disabilities for all vacancies, taking into account their aptitudes and skills. In the event of employees becoming disabled, every effort is made to ensure their employment with the company continues and appropriate training arranged. So far as possible the company ensures that the training, career development and promotion of any disabled person is identical to that of a colleague who does not suffer from such a disability.

The company is strongly committed to employee share ownership. Specifically the company operates a Save as You Earn Scheme, a Partnership Share Scheme and an annual Profit Share Scheme. Such schemes have, over a number of years, enabled employees to build up a substantial holding in the company.

The company's policy as regards health and safety is to comply with all relevant legislation and best practice to ensure the health, safety and welfare at work of all its employees, customers, contractors and visitors.

FUTURE DEVELOPMENTS

An indication of likely future developments is included in the Chairman's Statement & Business Review.

DONATIONS

The company made no donations for political purposes.

POST BALANCE SHEET EVENTS

The company has no post balance sheet events requiring disclosure.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS102, *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 their profit or loss for that period.

In preparing the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as each of them are aware, there is no information relevant to the audit of the company's financial statements for the 53 weeks ended 2 June 2018 of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board
P.A. Murray, Company Secretary
6 September 2018

WCF Ltd
Registered number: 2263148