

**ZEST INVESTMENT (PORTADOWN) LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**



**ZEST INVESTMENT (PORTADOWN) LIMITED**

**COMPANY INFORMATION**

**Directors**

G K Sizer  
P H Scott

**Registered number**

06707890

**Registered office**

2nd Floor  
16 High Street  
Yarm  
Cleveland  
TS15 9AE

**Accountants**

Armstrong Watson LLP  
Chartered Accountants  
York House  
Northallerton  
North Yorkshire  
DL6 2XQ

**ZEST INVESTMENT (PORTADOWN) LIMITED**

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**ZEST INVESTMENT (PORTADOWN) LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors present their report and the financial statements for the year ended 30 September 2018.

**Directors**


The directors who served during the year were:

G K Sizer  
P H Scott

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *27 June 2019* and signed on its behalf.



G K Sizer  
Director

|                                            |
|--------------------------------------------|
| <b>ZEST INVESTMENT (PORTADOWN) LIMITED</b> |
|--------------------------------------------|

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

|                                                | <b>Note</b> | <b>2018<br/>£</b> | <b>2017<br/>£</b> |
|------------------------------------------------|-------------|-------------------|-------------------|
| Tax on profit                                  |             | <b>(28,582)</b>   | <b>(41,033)</b>   |
| <b>Loss for the financial year</b>             |             | <b>(28,582)</b>   | <b>(41,033)</b>   |
| <b>Other comprehensive income for the year</b> |             |                   |                   |
| <b>Total comprehensive income for the year</b> |             | <b>(28,582)</b>   | <b>(41,033)</b>   |

The notes on pages 4 to 8 form part of these financial statements.

**ZEST INVESTMENT (PORTADOWN) LIMITED**  
**REGISTERED NUMBER: 06707890**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

|                                                | Note        | 2018<br>£        | 2017<br>£        |
|------------------------------------------------|-------------|------------------|------------------|
| <b>Fixed assets</b>                            |             |                  |                  |
| Tangible assets                                |             | 4,250,000        | 4,250,000        |
|                                                |             | <u>4,250,000</u> | <u>4,250,000</u> |
| Creditors: amounts falling due within one year | (3,528,954) | (3,514,444)      |                  |
| <b>Net current liabilities</b>                 |             | (3,528,954)      | (3,514,444)      |
| <b>Total assets less current liabilities</b>   |             | 721,046          | 735,556          |
| <b>Provisions for liabilities</b>              |             |                  |                  |
| Deferred tax                                   | (169,779)   | (155,707)        |                  |
|                                                |             | (169,779)        | (155,707)        |
| <b>Net assets</b>                              |             | <u>551,267</u>   | <u>579,849</u>   |
| <b>Capital and reserves</b>                    |             |                  |                  |
| Called up share capital                        |             | 1                | 1                |
| Profit and loss account                        |             | 551,266          | 579,848          |
|                                                |             | <u>551,267</u>   | <u>579,849</u>   |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

*27 June 2019*

  
**G.K. Sizer**  
 Director

The notes on pages 4 to 8 form part of these financial statements.

# **ZEST INVESTMENT (PORTADOWN) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018**

### **1. General information**

Zest Investment (Portadown) Limited is a company incorporated in the United Kingdom under the Companies Act.

The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The company's principal activity is letting of investment properties.

The presentation and functional currency of the company is sterling.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Zest Investment Group Limited as at 30 September 2018 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### **2.3 Going concern**

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of their current facility.

On the basis of their assessment of the company's financial position the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

## **ZEST INVESTMENT (PORTADOWN) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.4 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 reporting 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 Statement of Financial Position 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

##### **2.5 Tangible fixed assets**

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.



## **ZEST INVESTMENT (PORTADOWN) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.5 Tangible fixed assets (continued)**

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:

|                   |            |
|-------------------|------------|
| Freehold property | - 50 years |
|-------------------|------------|

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.

##### **Revaluation of properties**

Individual freehold and leasehold properties are revalued to fair value every year with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account.

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

##### **2.6 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.7 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.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described above in note 1, 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. There are no critical accounting judgements in the preparation of the financial statements.

##### *Impairment and valuation*

The company tests annually whether its assets have suffered any impairment. Where required, recoverable amounts are calculated using the higher of fair value less costs to sell, and value in use. Additionally, freehold properties are held at fair value, revalued on a sufficiently regular basis to avoid material differences between carrying value and fair value.

# ZEST INVESTMENT (PORTADOWN) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 4. Employees

No emoluments were received or are receivable by any director in respect of services during the current or preceding year.

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

### 5. Tangible fixed assets

|                          | Freehold<br>property<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 October 2017        | 4,250,000                 |
| At 30 September 2018     | <u>4,250,000</u>          |
| <b>Net book value</b>    |                           |
| At 30 September 2018     | <u><u>4,250,000</u></u>   |

At 30 September 2018 £63,057 (2017: £63,057) of interest had been capitalised within freehold property.

The property has been revalued by the directors based on their assessment of open market value.

If the property has not been revalued it would have been included at £4,683,369 according to the historical cost convention.

### 6. Creditors: Amounts falling due within one year

|                                    | 2018<br>£               |
|------------------------------------|-------------------------|
| Amounts owed to group undertakings | 3,514,444               |
| Corporation tax                    | 14,510                  |
|                                    | <u><u>3,528,954</u></u> |

# ZEST INVESTMENT (PORTADOWN) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 7. Deferred taxation

|                           | 2018<br>£        | 2017<br>£        |
|---------------------------|------------------|------------------|
| At beginning of year      | (155,707)        | (139,405)        |
| Charged to profit or loss | (14,072)         | (16,302)         |
| <b>At end of year</b>     | <b>(169,779)</b> | <b>(155,707)</b> |

The provision for deferred taxation is made up as follows:

|                                | 2018<br>£        |
|--------------------------------|------------------|
| Accelerated capital allowances | (155,707)        |
| Tax losses carried forward     | (14,072)         |
|                                | <b>(169,779)</b> |

### 8. Related party transactions

The company has taken advantage of exemption, under the terms of the Financial Reporting Standard FRS102 Related Party, not to disclose transactions with 100% subsidiaries of Zest Investment Group Limited.

### 9. Controlling party

The directors regard Zest Investment Group Limited, a company incorporated in England and Wales, as being the company's immediate and ultimate parent company of the largest and smallest group which includes the company. Copies of the group financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

Zest Investment Group Limited is jointly controlled by Mr G Sizer and the Trustees of the Lausar Settlement, each of whom hold 50 per cent of the issued share capital of the company.