

ZEST INVESTMENT PROPERTY GROUP
LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2020



ArmstrongWatson[®]

Accountants, Business & Financial Advisers

ZEST INVESTMENT PROPERTY GROUP LIMITED

COMPANY INFORMATION

Directors	G K Sizer P H Scott
Company secretary	G K Sizer
Registered number	NI058855
Registered office	Rosemount Care Centre 2 Moy Road Portadown Craigavon County Armagh BT62 1QL
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditor York House Northallerton North Yorkshire DL6 2XQ
Bankers	Santander UK plc Bootle Merseyside L30 4GB

ZEST INVESTMENT PROPERTY GROUP LIMITED

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ZEST INVESTMENT PROPERTY GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present their report and the financial statements for the year ended 30 September 2020.

Directors' responsibilities statement

The directors are responsible for preparing the 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 to 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.

Directors

The directors who served during the year were:

G K Sizer
P H Scott

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ZEST INVESTMENT PROPERTY GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



G K Sizer
Director

Date: 13 May 2021

ZEST INVESTMENT PROPERTY GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZEST INVESTMENT PROPERTY GROUP LIMITED

Opinion

We have audited the financial statements of Zest Investment Property Group Limited (the 'Company') for the year ended 30 September 2020, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2020 and of its result 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.

Basis for opinion

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ZEST INVESTMENT PROPERTY GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZEST INVESTMENT PROPERTY GROUP LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Director's Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

ZEST INVESTMENT PROPERTY GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZEST INVESTMENT PROPERTY GROUP LIMITED (CONTINUED)

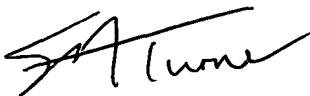
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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 Auditors' 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.



Simon Turner (Senior Statutory Auditor)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditor

Northallerton

Date: 14 May 2021

ZEST INVESTMENT PROPERTY GROUP LIMITED

**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

The notes on pages 10 to 15 form part of these financial statements.

The company had no profit or loss or other comprehensive income in the current or prior year.

As such there are no results to present in the statement of comprehensive income in either period of account.

ZEST INVESTMENT PROPERTY GROUP LIMITED
REGISTERED NUMBER: NI058855

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	5,400,000	5,400,000
		<u>5,400,000</u>	<u>5,400,000</u>
Current assets			
Debtors: amounts falling due within one year	7	-	1,150
		<u>-</u>	<u>1,150</u>
Creditors: amounts falling due within one year	8	(4,497,896)	(4,499,046)
		<u>(4,497,896)</u>	<u>(4,499,046)</u>
Net current liabilities		<u>(4,497,896)</u>	<u>(4,497,896)</u>
Total assets less current liabilities		<u>902,104</u>	<u>902,104</u>
Net assets		<u>902,104</u>	<u>902,104</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		902,103	902,103
		<u>902,104</u>	<u>902,104</u>

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



G K Sizer
Director

Date: 13 May 2021

The notes on pages 9 to 13 form part of these financial statements.

ZEST INVESTMENT PROPERTY GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2018	1	902,103	902,104
Total comprehensive income for the year	-	-	-
At 1 October 2019	1	902,103	902,104
Total comprehensive income for the year	-	-	-
At 30 September 2020	1	902,103	902,104

The notes on pages 9 to 13 form part of these financial statements.

ZEST INVESTMENT PROPERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

The company is a private company limited by shares incorporated and domiciled in the United Kingdom. It trades from its registered office address, noted on the company information page.

The principal activity of the company is a holding company owning investments in subsidiaries.

These financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

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 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- 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 2020 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

ZEST INVESTMENT PROPERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.4 Going concern

The directors have prepared the financial statements on a going concern basis. This assessment was made after taking account of all factors including consideration of the impact of COVID 19. In assessing these factors management have, for a period of at least twelve months from financial statement approval:

- Confirmed with group undertakings that obligations owed will not be called in for settlement at the detriment of the company.

- Obtained a letter of support from its parent company and sufficed themselves that said support is highly probable if required.

In doing so the directors have sufficed themselves that the Company will meet its obligations for a period of at least twelve months from date of approval of these financial statements, and that in doing so they have considered that any uncertainty in the economy, including due to COVID 19, will not materially change this assessment.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 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.

2.8 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.

ZEST INVESTMENT PROPERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will be, by definition, seldom equal to the related actual results.

The directors consider that material estimates and judgements are applied in assessing for impairment of investments. The directors assess whether there are any indicators that the carrying value of the investment exceeds the recoverable amount in the financial statements. If there are any indicators of impairment a formal impairment review is undertaken, for example comparing the net assets of the subsidiary in which the investment is held to the carrying value of the investment.

4. Auditors' remuneration

The audit fee has been borne by another company within the group headed by Zest Investment Group Limited.

5. 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 (2019 - 2).

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2019	5,400,000
At 30 September 2020	<u>5,400,000</u>

ZEST INVESTMENT PROPERTY GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

6. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Bramley (2007) Limited	Ordinary	100%
Bramley Court (Care Homes) Limited *	Ordinary	100%

* Bramley Court (Care Homes) Limited is a subsidiary of Bramley (2007) Limited.

The registered address of these subsidiaries is 2nd Floor, Tirrem House, 16 High Street, Yarm, TS15 9AE.

The aggregate of the share capital and reserves as at 30 September 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit £
Bramley (2007) Limited	(1,755,751)	-
Bramley Court (Care Homes) Limited *	4,089,207	826,653

7. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	-	1,150
	<u>-</u>	<u>1,150</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	4,494,396	4,495,546
Accruals and deferred income	3,500	3,500
	<u>4,497,896</u>	<u>4,499,046</u>

Amounts due to group undertakings have no repayment date and are repayable on demand bearing no interest.

ZEST INVESTMENT PROPERTY GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

9. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
1 (2019 - 1) Ordinary share share of £1.00	1	1

10. Related party transactions

The company has taken advantage of the exemption contained in Section 33 of FRS 102 "Related Party Disclosure" from disclosing transactions with the entities which are part of the group, since 100% of the voting rights in the company are controlled within the group and the company is included within the group accounts which are publicly available.

11. Controlling party

The directors regard Zest Investment Group Limited, a company incorporated in the United Kingdom and registered in England and Wales, as being the company's immediate and ultimate parent company and is the parent company of the largest and smallest group which includes the company. The registered office address of this entity is 2nd Floor, 16 High Street, Yarm, Cleveland, TS15 9AE. 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% of the issued share capital of the company.