

REGISTERED No. 2274515

## **THE QUALITY OF LIFE LIMITED**

**Annual report and financial statements  
for the year ended 31 December 2019**

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# THE QUALITY OF LIFE LIMITED

## Strategic Report

The directors present their strategic report for the year ended 31 December 2019 for The Quality of Life Limited ('the Company').

During the prior year the Company transitioned from FRS 102, the transitional relief available to dormant companies, to FRS 101 'Reduced Disclosure Framework' and has taken advantage of the disclosure exemptions allowed under this standard. The Company's ultimate parent undertaking in the UK, Pladis Foods Limited, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemption. There are no material adjustments as a result of the Company's transition to FRS 101.

### **Principal activity, review of the business, future developments and going concern**

During the previous year, the Company acted as a sales company for a new product being trialled by the group. The product launch was not as successful as anticipated and as a result production has ceased. The Company is now dormant, and has been so since 1 January 2019..

The loss after taxation for the year ended 31 December 2019 amounted to nil (2018 – £71,900).

At the balance sheet date the Company had net liabilities of £230,100 (2018 – £230,100).

The Company is reliant upon the provision of financial support by Pladis Foods Limited, a parent undertaking of the Company, to assist the Company in meeting its liabilities as and when they fall due. Pladis Foods Limited has confirmed its intention to provide such financial support as necessary to the company to enable it to meet its liabilities as they fall due for a minimum period of twelve months from the date of these financial statements. Accordingly, the directors, having evaluated the letter of financial support received from Pladis Foods Limited and its ability to provide such support, consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Full details of the performance of the Pladis Foods Limited Group are set out in the report and financial statements of Pladis Foods Limited, copies of which may be obtained from its registered office: Hayes Park, Hayes End Road, Hayes, Middlesex UB4 8EE.

### **Principal risks and uncertainties**

As the Company will no longer be selling the product, which was previously manufactured by the Group, and will return to a dormant status, the directors have assessed that there are no risks or uncertainties going forward.

### **Financial risk management objectives and policies**

Financial risk management objectives and policies are established for the Group and not by legal entity. Further details of these objectives and policies are set out in the annual report and financial statements of Pladis Foods Limited.

The Company's primary financial risk management objective is to monitor the operating results of subsidiary undertakings as this may impact the carrying value of the Company's investments in subsidiary undertakings and the recoverability of amounts due from group companies. Other objectives include monitoring its cash flow to ensure it can meet its obligations as they fall due.

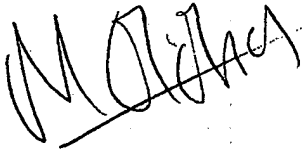
# THE QUALITY OF LIFE LIMITED

## Strategic Report (continued)

### Key performance indicators

As the Company is a holding company for certain trading entities of the Group, the Company's directors believe that further key performance indicators from those discussed above are not necessary or appropriate for an understanding of the development or position of the business.

On behalf of the board

A handwritten signature in black ink, appearing to read 'M. Oldham', written over a horizontal line.

M. Oldham  
Director and Secretary

1 September 2020

Registered Office: Hayes Park, Hayes End Road, Hayes, Middlesex UB4 8EE

# THE QUALITY OF LIFE LIMITED

## Directors' Report

The directors present their annual report and the accounts for the year ended 31 December 2019.

The Company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic report which otherwise would be required to be disclosed in the Directors' report, including future developments and financial risk management objectives and policies.

### Results and dividends

The loss for the year is shown in the Income Statement on page 6. No dividend was paid or proposed during the current year or prior period.

### Directors

The directors of the Company who served throughout the year and subsequently were as follows:

H McCarthy  
M Oldham

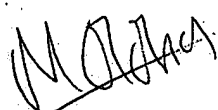
### Directors' interests

No director had interests in the share capital of either the Company or other UK registered Group companies. No director had, during the year or at the end of the year, any material interest in any contract of significance to the Company's business. During the year the Company maintained liability insurance for its directors and officers.

### Auditors

Auditors have not been appointed in accordance with the provision of Section 476 of the Companies Act 2006.

On behalf of the board



M. Oldham  
Director and Secretary

1 September 2020

Registered Office: Hayes Park, Hayes End Road, Hayes, Middlesex UB4 8EE

# **THE QUALITY OF LIFE LIMITED**

## **Statement of directors' responsibilities in relation to 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 101 "Reduced Disclosure Framework"). 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not continue in business.

The directors 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.

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..

# THE QUALITY OF LIFE LIMITED

## Income Statement

For the year ended 31 December 2019

		2019	2018
	Notes	£'000	£'000
Revenue	3	-	7.7
Cost of sales		-	(63.4)
<b>Gross loss</b>		<b>-</b>	<b>(55.7)</b>
Marketing, selling and distribution costs		-	(16.2)
<b>Operating loss and loss on ordinary activities before tax</b>	4	<b>-</b>	<b>(71.9)</b>
Tax charge on loss on ordinary activities	6	-	-
<b>Loss for the financial year</b>		<b>-</b>	<b>(71.9)</b>

All amounts relate to discontinued operations.

# THE QUALITY OF LIFE LIMITED

## Statement of Comprehensive Income

For the year ended 31 December 2019

	2019	2018
	£'000	£'000
Loss for the financial year	-	(71.9)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(71.9)</b>

# THE QUALITY OF LIFE LIMITED

## Balance Sheet as at 31 December 2019

		2019	2018
	Notes	£'000	£'000
<b>Current assets</b>			
		0.2	0.2
Cash		<u>0.2</u>	<u>0.2</u>
Creditors: Amounts owed to group undertakings	7	(230.3)	(230.3)
<b>Net current liabilities</b>		<u>(230.1)</u>	<u>(230.1)</u>
<b>Net liabilities</b>		<u><u>(230.1)</u></u>	<u><u>(230.1)</u></u>
<b>Equity</b>			
Called up share capital	8	0.1	0.1
Retained earnings		(230.2)	(230.2)
<b>Total shareholder' funds</b>		<u><u>(230.1)</u></u>	<u><u>(230.1)</u></u>

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

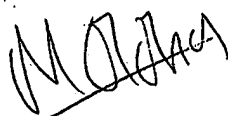
Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors' acknowledge their responsibility for:

- ensuring the Company keeps accounting records which comply with section 386 of the Companies Act 2006; and
- preparing accounts which give a true and fair view of the state of affairs of the Company at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

The financial statements of The Quality of Life Limited (registered number 2274515) were approved by the board of directors and authorised for issue on 1 September 2020.

They were signed on its behalf by:



M. Oldham  
Director



# THE QUALITY OF LIFE LIMITED

## Statement of Changes in Equity

	Share capital	Retained earnings	Total equity
	£'000	£'000	£'000
At 1 January 2018	0.1	(158.3)	(158.2)
Loss for the financial year	-	(71.9)	(71.9)
<b>At 31 December 2018</b>	<b>0.1</b>	<b>(230.2)</b>	<b>(230.1)</b>
Loss for the financial year	-	-	-
<b>At 31 December 2019</b>	<b>0.1</b>	<b>(230.2)</b>	<b>(230.1)</b>

# THE QUALITY OF LIFE LIMITED

## Notes to the financial statements For the year ended 31 December 2019

### 1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of The Quality of Life Limited (the "Company") for the year ended 31 December 2019 were authorised for issue by the board of directors on 1 September 2020 and the balance sheet was signed on the board's behalf by Mark Oldham. The Quality of Life Limited is incorporated and domiciled in England and Wales. Its registered office is stated on page 3.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates and are rounded to the nearest £1,000.

The results of The Quality of Life Limited are included in the consolidated financial statements of Pladis Foods Limited which are available from Pladis Foods, Hayes End Road, Hayes, UB4 8EE. The principal accounting policies adopted by the Company are set out in note 2.

### 2. Accounting policies

#### Basis of preparation

The financial statements are prepared on the historical cost basis of accounting, modified to include revaluation to fair value of certain financial instruments as outlined below, and in accordance with applicable accounting standards.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirement to disclose new accounting standards not yet effective;
- b) the requirement of IFRS 7 Financial Instruments: Disclosures;
- c) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
- d) the requirements of paragraphs 10(d), 10(f) and 134 -136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- g) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transactions is wholly owned by such a member.

Where relevant, equivalent disclosures have been given in the group accounts of Pladis Foods Limited.

# **THE QUALITY OF LIFE LIMITED**

## **Notes to the financial statements For the year ended 31 December 2019 (continued)**

### **Adoption of new and revised Standards**

**Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year**

In the current year, the Group has applied a number of new IFRSs issued by the International Accounting Standards Board (IASB) and amendments to IFRSs that are mandatorily effective for an accounting period that begins on or after 1 January 2019, including IFRS 9 Financial Instruments and IFRS 15 Revenue. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

### **Revenue recognition**

Revenue consists principally of sales to third parties after trade discounts and excluding value added tax. Trade discounts include sales incentives, up-front payments and other non-discretionary payments. Revenue is recognised when control of the products being sold has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer has control over the inventory. At each balance sheet date, any expenditure incurred, but not yet invoiced in relation to trade discounts and other allowances, is estimated and accrued and deducted from revenue.

### **Taxation**

The tax currently receivable/payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's asset/liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

# **THE QUALITY OF LIFE LIMITED**

## **Notes to the financial statements For the year ended 31 December 2019 (continued)**

### **Financial instruments**

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### **Financial assets**

Receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Financial assets are de-recognised only where the contractual rights to the cash flows from the asset expire or are settled; or if the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity; or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

### **Financial liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

### **Equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### **Critical accounting judgements and key sources of estimation uncertainty**

In the Directors opinion, there are no critical accounting judgements or key sources of estimation uncertainty in the financial statements.

# THE QUALITY OF LIFE LIMITED

## Notes to the financial statements For the year ended 31 December 2019 (continued)

### 3. Revenue

The Company has one significant revenue stream, being the sale of healthy snacks all of which arises under customer contracts.

Revenue from customer contracts by geographical area

	2019 £'000	2018 £'000
United Kingdom	-	7.7
Rest of World	-	-
	<u>-</u>	<u>7.7</u>

Timing of revenue recognition

	2019 £'000	2018 £'000
Point in time	-	7.7
Over time	-	-
	<u>-</u>	<u>7.7</u>

The aggregate amount of the transaction price allocated to performance obligations that are (partially) unsatisfied at the balance sheet date is nil.

### 4. Operating loss

As the Company is exempt from audit no audit fees were incurred in the current year or in the prior year.

### 5. Directors emoluments and employee costs

The directors of the Company were paid by United Biscuits (UK) Limited by whom they are employed. The directors received no remuneration in respect of qualifying services to the subsidiary company.

The Company, as an investment holding company, has no employees.

### 6. Tax on ordinary activities

The tax charge on the loss on ordinary activities for the year 2019 is lower than the average rate of corporation tax in the UK of 19.00% (2018 – 19.00%). The differences are reconciled below:

	2019 £'000	2018 £'000
Loss on ordinary activities before taxation	-	(71.9)
Tax credit at UK statutory rate of 19.00% (2018: 19.00%)	-	(13.7)
Group relief surrendered for nil consideration	-	13.7
Total tax charge	<u>-</u>	<u>-</u>

# THE QUALITY OF LIFE LIMITED

## Notes to the financial statements For the year ended 31 December 2019 (continued)

### 7. Creditors

	2019 £'000	2018 £'000
Amounts owed to group undertakings	<u>(230.3)</u>	<u>(230.3)</u>

### 8. Authorised, issued and called-up share capital

	Number	Ordinary Shares <sup>(1)</sup> £'000
<b>Ordinary share capital</b>		
Authorised		
As at 31 December 2019 and 31 December 2018:	<u>100</u>	<u>0.1</u>
<b>Issued, called up and fully paid</b>		
As at 31 December 2019 and 31 December 2018	<u>100</u>	<u>0.1</u>

<sup>(1)</sup> Represents authorised, issued, called up and fully paid ordinary shares of £1 each, totalling 100 shares

### 9. Events after the balance sheet date

No significant event has taken place after the balance sheet date.

### 10. Ultimate parent company

At both 31 December 2019 and 31 December 2018, the company's immediate parent was Derwent Valley Food Group Limited, a company incorporated in the United Kingdom, and its ultimate parent company was Yildiz Holdings, A.S., a company incorporated in Turkey whose registered office is Kısıklı Mahallesi Ferah Caddesi No:1 34692 Büyük Çamlıca, İstanbul, Turkey.

For results for the period to 31 December 2019, the largest group in which the Company's financial statements are included is Yildiz Holdings Limited and the smallest group is Pladis Foods Limited.