

Registered number: 05888387

ZIP WORLD FFOREST LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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ZIP WORLD FFOREST LTD

COMPANY INFORMATION

Directors	D J Stacey S W Taylor A S Hudson M V Britton (appointed 19 January 2022)
Registered number	05888387
Registered office	Zip World Base Camp Denbigh Street Llanrwst LL26 0LL
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Kingsway Cardiff CF10 3PW

ZIP WORLD FFOREST LTD

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ZIP WORLD FFOREST LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

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 judgments 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 and up to the date of this report were:

D J Stacey
S W Taylor
A S Hudson
M V Britton (appointed 19 January 2022)
K I Hepworth (appointed 19 January 2022 and resigned 01 April 2022)

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.

ZIP WORLD FFOREST LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Going concern

The Company is a subsidiary of ZWPV Limited (the "Group") and the Group is financed through bank and shareholder debt and at an operating level is cash generative. At the end of 2020, the directors elected to hive-up the trade and assets of the entity to Zip World Limited. These entries have been reflected in the financial statements.

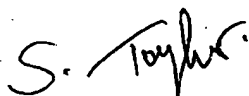
Independent Auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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 29 September 2022 and signed on its behalf.



S W Taylor
Director

ZIP WORLD FFOREST LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZIP WORLD FFOREST LTD

Report on the audit of the financial statements

Opinion

In our opinion, Zip World Fforest LTD's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements, which comprise: the Balance sheet as at 31 December 2021; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

ZIP WORLD FFOREST LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZIP WORLD FFOREST LTD (CONTINUED)

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK taxation regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias relating to the recoverability of intercompany debtors. Audit procedures performed by the engagement team included:

- Discussions with management and legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud and indicators of impairment relating to intercompany debtors recognised by the entity;
- Reviewing Board minutes and reports that set out the entity's compliance and monitoring of legal and internal control matters; and,
- Testing all journal entries relating to the hive up of trade and assets to Zip World Limited.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

ZIP WORLD FFOREST LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZIP WORLD FFOREST LTD (CONTINUED)

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jason Clarke (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Cardiff
30 September 2022

ZIP WORLD FFOREST LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover		-	2,191,324
Other operating income		-	53,214
Other external charges		-	(485,904)
Staff costs		-	(393,552)
Depreciation and amortisation		-	(319,261)
Profit before tax		-	1,045,821
Tax on profit		61,392	(283,801)
Profit for the financial year		61,392	762,020

The notes on pages 10 to 17 form part of these financial statements.

ZIP WORLD FFOREST LTD
REGISTERED NUMBER: 05888387

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	-	1,483,208
		-	1,483,208
Current assets			
Stocks		-	26,593
Debtors: amounts falling due within one year	5	4,415,461	3,249,979
Cash at bank and in hand	6	-	128,512
		4,415,461	3,405,084
Creditors: amounts falling due within one year	7	-	(123,431)
Net current assets		4,415,461	3,281,653
Total assets less current liabilities		4,415,461	4,764,861
Creditors: amounts falling due after more than one year	8	-	(119,451)
Provisions for liabilities			
Deferred tax		-	(61,392)
		-	(61,392)
Accruals and deferred income	10	-	(229,949)
Net assets		4,415,461	4,354,069
Capital and reserves			
Called up share capital		76	76
Capital redemption reserve		24	24
Profit and loss account		4,415,361	4,353,969
		4,415,461	4,354,069

ZIP WORLD FFOREST LTD
REGISTERED NUMBER: 05888387

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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 29 September 2022.

S W Taylor
Director



The notes on pages 10 to 17 form part of these financial statements.

ZIP WORLD FFOREST LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2020	76	24	3,591,949	3,592,049
Comprehensive income for the year				
Profit for the year	-	-	762,020	762,020
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	762,020	762,020
Total transactions with owners	-	-	-	-
At 1 January 2021	76	24	4,353,969	4,354,069
Comprehensive income for the year				
Profit for the year	-	-	61,392	61,392
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	61,392	61,392
Total transactions with owners	-	-	-	-
At 31 December 2021	76	24	4,415,361	4,415,461

The notes on pages 10 to 17 form part of these financial statements.

ZIP WORLD FFOREST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Zip World Fforest Ltd (the "Company") operates adventure activities and is incorporated and domiciled in United Kingdom. The address of its registered office is Zip World Base Camp, Denbigh Street, Llanrwst, Wales, LL26 0LL.

On 01 January 2021 the business activities of the Company were hived-up into the Company's parent company Zip World Limited.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 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 ZWPV Limited as at 31 December 2021 and these financial statements may be obtained from the Company Secretary at Zip World Base Camp, Denbigh Street, Llanrwst, LL26 0LL..

2.3 Going concern

The Company is a subsidiary of ZWPV Limited (the "Group") and the Group is financed through bank and shareholder debt and at an operating level is cash generative. The Group has prepared detailed forecasts for the next 12 month period ended 30 September 2022 and beyond, which show that it is expected to be profitable at an EBITDA level and cash generative from its operating activities for the foreseeable future and that the Group and Company has the ability to remain within its committed lending facilities. The Group are in the process of agreeing a further extension to their existing financing facilities with HSBC which will be in place prior to the end of the financial year 2022.

The Group continues to monitor closely the impact of economic consumer uncertainty on market conditions. However, based on our management of the operations, current trading performance, and disciplined cash management procedures, the Group has confidence it has a strong and robust continuing cash flow. The directors have therefore prepared the financial statements on a going concern basis.

At the end of 2020, the directors elected to hive-up the trade and assets of the entity to Zip World Limited. These entries have been reflected in the financial statements.

ZIP WORLD FFOREST LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of adventure experiences

Turnover from the sale of adventure experiences is recognised when the customer participates in the experience. Any amounts received in advance of customer participation are held within deferred income on the Balance Sheet.

Sale of merchandising

Turnover from the sale of merchandising is recognised at the point of sale of the merchandise product.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

ZIP WORLD FFOREST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 Balance sheet 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 balance sheet date.

ZIP WORLD FFOREST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Plant and machinery	- 10%-25%
Fixtures and fittings	- 25%
Assets under construction	- Not depreciated

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.13 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.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

ZIP WORLD FFOREST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 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.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.17 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ZIP WORLD FFOREST LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Employees

The average monthly number of employees, including directors, during the year was 0 (2020 - 81).

4. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
At 1 January 2021	3,206,884	85,394	3,292,278
Disposals	(3,206,884)	(85,394)	(3,292,278)
At 31 December 2021	-	-	-
At 1 January 2021	1,746,037	63,033	1,809,070
Disposals	(1,746,037)	(63,033)	(1,809,070)
At 31 December 2021	-	-	-
Net book value			
At 31 December 2021	-	-	-
At 31 December 2020	1,460,847	22,361	1,483,208

5. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	4,415,007	3,136,962
Amounts owed by joint ventures and associated undertakings	-	94,460
Other debtors	-	5,907
Prepayments and accrued income	-	12,196
Tax recoverable	454	454
	4,415,461	3,249,979

ZIP WORLD FFOREST LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	-	128,512
	<u>-</u>	<u>128,512</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	19,771
Other creditors	-	22,404
Accruals and deferred income	-	81,256
	<u>-</u>	<u>123,431</u>

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Government grants received	-	119,451
	<u>-</u>	<u>119,451</u>

9. Deferred taxation

	2021 £
At beginning of year	(61,392)
Charged to profit or loss	61,392
At end of year	<u>-</u>

ZIP WORLD FFOREST LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Origination and reversal of timing differences	-	(61,392)
	<u>-</u>	<u>(61,392)</u>

10. Accruals and deferred income

	2021 £	2020 £
Deferred income	-	(229,949)
	<u>-</u>	<u>(229,949)</u>

11. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension cost charge of £nil (2020: £5,011) represents contributions payable by the company to the fund.

12. Controlling party

The immediate parent company is Zip World Limited, which is a 100% subsidiary of Zip World Group Holdings Limited. ZWPV Limited is the ultimate parent company.

ZWPV Limited is the smallest and largest group company to consolidate these financial statements. Copies of the consolidated financial statements can be obtained from the Company Secretary at Zip World base Camp, Denbigh Street, Llanrwst, LL26 0LL.

Due to the shareholdings in place at ZWPV Limited the directors consider Sean Taylor to be the ultimate controlling party.