

ZEST CARE HOMES LIMITED  
FINANCIAL STATEMENTS  
30 SEPTEMBER 2020



**ArmstrongWatson®**  
Accountants, Business & Financial Advisers

---

## ZEST CARE HOMES LIMITED

---

### COMPANY INFORMATION

---

<b>Directors</b>	G K Sizer P H Scott
<b>Registered number</b>	06315771
<b>Registered office</b>	2nd Floor 16 High Street Yarm Cleveland TS15 9AE
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditor York House Northallerton North Yorkshire DL6 2XQ
<b>Bankers</b>	Santander UK plc Bootle Merseyside L30 4GB

---

**ZEST CARE HOMES LIMITED**

---

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	<b>1 - 2</b>
<b>Independent auditors' report</b>	<b>3 - 5</b>
<b>Statement of income and retained earnings</b>	<b>6</b>
<b>Statement of financial position</b>	<b>7</b>
<b>Statement of changes in equity</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9 - 17</b>

---

## **ZEST CARE HOMES 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £28,458 (2019 - £724,222).

#### **Directors**

The directors who served during the year were:

G K Sizer  
P H Scott

#### **Future developments**

The directors believe sector outlook remains positive. Demographic analysis confirms an ageing population and the incidence of dementia is forever increasing as a percentage of overall client morbidity. Zest continues to increase dementia registration categories as a response to this building demographic. Health and Social care budgets for public sector supported clients won't increase materially over the next few years as public finances remain tight which in essence increases the number of people self-funding and/or paying a top up.

---

**ZEST CARE HOMES LIMITED**

---

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

---

**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.

**Discontinued operations**

During the year Zest Investment (Omagh) Limited acquired Three Rivers Care Home from Zest Care Homes Limited. Zest Investment (Omagh) Limited is a group company and the transfer was for no gain or loss.

**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 CARE HOMES LIMITED**

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ZEST CARE HOMES LIMITED**

---

#### **Opinion**

We have audited the financial statements of Zest Care Homes Limited (the 'Company') for the year ended 30 September 2020, which comprise the Statement of income and retained earnings, 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 loss 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 CARE HOMES LIMITED**

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ZEST CARE HOMES 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

---

## ZEST CARE HOMES LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ZEST CARE HOMES LIMITED (CONTINUED)

---

#### Responsibilities of directors

As explained more fully in the 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.

#### 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](http://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 CARE HOMES LIMITED**

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

	Note	Continuing operations 2020 £	Discontinued operations 2020 £	Total 2020 £	Continuing operations 2019 £	Discontinued operations 2019 £	Total 2019 £
Turnover	5	2,535,145	364,526	2,899,671	4,964,337	4,180,710	9,145,047
		<u>2,535,145</u>	<u>364,526</u>	<u>2,899,671</u>	<u>4,964,337</u>	<u>4,180,710</u>	<u>9,145,047</u>
<b>Cost of sales</b>							
Home payroll costs		1,947,911	349,448	2,297,359	3,783,635	2,794,201	6,577,836
Home running costs		(369,099)	(87,353)	(456,452)	(848,947)	(643,360)	(1,492,307)
		<u>218,135</u>	<u>(72,275)</u>	<u>145,860</u>	<u>331,755</u>	<u>743,149</u>	<u>1,074,904</u>
<b>Gross profit</b>							
<b>Admin expenses</b>							
Central overheads		(85,040)	(14,381)	(99,421)	(152,249)	(64,322)	(216,571)
Depreciation		(16,522)	(4,899)	(21,421)	(40,062)	(71,263)	(111,325)
<b>Operating profit/(loss)</b>		<u>116,573</u>	<u>(91,555)</u>	<u>25,018</u>	<u>139,444</u>	<u>607,564</u>	<u>747,008</u>
Tax on (loss)/profit		3,440	-	3,440	(6,440)	(16,346)	(22,786)
<b>Profit after tax</b>		<u>120,013</u>	<u>(91,555)</u>	<u>28,458</u>	<u>133,004</u>	<u>591,218</u>	<u>724,222</u>
Retained earnings at the beginning of the year				1,595,073			870,851
				<u>1,595,073</u>			<u>870,851</u>
Profit for the year				28,458			724,222
<b>Retained earnings at the end of the year</b>				<u>1,623,531</u>			<u>1,595,073</u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of income and retained earnings.

The notes on pages 9 to 17 form part of these financial statements.

**ZEST CARE HOMES LIMITED**  
**REGISTERED NUMBER: 06315771**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	8	21,013	83,553
		<u>21,013</u>	<u>83,553</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	2,167,338	2,136,640
Cash at bank and in hand	10	9,365	8,065
		<u>2,176,703</u>	<u>2,144,705</u>
Creditors: amounts falling due within one year	11	(573,186)	(632,186)
<b>Net current assets</b>		<u>1,603,517</u>	<u>1,512,519</u>
<b>Net assets</b>		<u><u>1,624,530</u></u>	<u><u>1,596,072</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	999	999
Profit and loss account		1,623,531	1,595,073
		<u><u>1,624,530</u></u>	<u><u>1,596,072</u></u>

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 by:



**G K Sizer**  
Director

Date: 13 May 2021

The notes on pages 9 to 17 form part of these financial statements.

---

**ZEST CARE HOMES LIMITED**

---

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

---

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>At 1 October 2018</b>	<b>999</b>	<b>870,851</b>	<b>871,850</b>
Profit for the year	-	724,222	724,222
<b>At 1 October 2019</b>	<b>999</b>	<b>1,595,073</b>	<b>1,596,072</b>
Profit for the year	-	28,458	28,458
<b>At 30 September 2020</b>	<b>999</b>	<b>1,623,531</b>	<b>1,624,530</b>

The notes on pages 9 to 17 form part of these financial statements.

---

## ZEST CARE HOMES 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 at 2nd Floor, Tirrem House, 16 High Street, Yarm, Cleveland, TS15 9AE.

The principal activity of the company is the operation of care homes for the elderly.

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 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 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, Wales, CF14 3UZ.

---

## ZEST CARE HOMES LIMITED

---

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

---

## 2. Accounting policies (continued)

### 2.3 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:

- Prepared profit and loss budgets that demonstrate the continued generation of operating cashflows at an EBITDA contribution level
- Considered the adequacy of these budgets in light of actual performance during the 2021 calendar year to date
- Reviewed and secured third party funding support
- Prepared cash flow forecasts that show after the settlement of non operating cash obligations continued financial headroom based on current available funds and facilities.
- 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.

### 2.4 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:

#### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### 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.

---

## ZEST CARE HOMES LIMITED

---

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

---

#### 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:

Motor vehicles	- 4 years
Fixtures and fittings	- 3 - 4 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.

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

##### 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 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.

##### 2.8 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.

##### 2.9 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.

---

## ZEST CARE HOMES LIMITED

---

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

---

## 2. Accounting policies (continued)

### 2.10 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 Statement of financial position 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 Statement of financial position.

### 2.11 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.

### 2.12 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 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.

---

## ZEST CARE HOMES 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.

There are no key sources of estimation uncertainty in applying accounting policies in the financial statements.

#### 4. Discontinued operations

On 9 December 2020 the company disposed of its trade and assets to Zest Investment (Omagh) Limited at net book value. No goodwill arose on the transaction because there was no change in control. The net book value of the assets disposed of equalled £38,503 at the year end.

#### 5. Turnover

The whole of the turnover is attributable to the provision of care homes for the elderly.

All turnover arose within the United Kingdom.

#### 6. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>10,000</u>	<u>10,000</u>

There were no non audit services.

#### 7. Employees

The average monthly number of employees, including directors, during the year was 136 (2019 - 367).

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



# ZEST CARE HOMES LIMITED

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

### 8. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 October 2019	45,270	411,745	457,015
Additions	-	28,306	28,306
Transfers intra group	-	(208,710)	(208,710)
Disposals	-	(11,782)	(11,782)
At 30 September 2020	45,270	219,559	264,829
<b>Depreciation</b>			
At 1 October 2019	45,270	328,192	373,462
Charge for the year on owned assets	-	21,423	21,423
Transfers intra group	-	(151,069)	(151,069)
At 30 September 2020	45,270	198,546	243,816
<b>Net book value</b>			
At 30 September 2020	-	21,013	21,013
At 30 September 2019	-	83,553	83,553

On 9 December 2019 the trade and assets relating to the operation of one care home was transferred at net book value to another group company. No gain or loss arose on this transaction.

## ZEST CARE HOMES LIMITED

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

#### 9. Debtors

	2020 £	2019 £
Trade debtors	27,143	37,053
Amounts owed by group undertakings	2,058,842	2,040,149
Other debtors	17,499	2,354
Prepayments and accrued income	51,535	49,252
Deferred taxation (note 13)	12,319	7,832
	<u>2,167,338</u>	<u>2,136,640</u>

Amounts owed by group undertakings have no repayment date and are repayable on demand bearing no interest.

#### 10. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	9,365	8,065
	<u>9,365</u>	<u>8,065</u>

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

	2020 £	2019 £
Trade creditors	135,023	150,538
Amounts owed to group undertakings	41,078	33,716
Other taxation and social security	33,197	86,758
Other creditors	183,730	100,321
Accruals and deferred income	180,158	260,853
	<u>573,186</u>	<u>632,186</u>

---

**ZEST CARE HOMES LIMITED**

---

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

---

**12. Deferred taxation**

	<b>2020 £</b>
At beginning of year	<b>7,832</b>
Charged to profit or loss	<b>3,440</b>
Arising on business combinations	<b>1,047</b>
<b>At end of year</b>	<b>12,319</b>

The deferred tax asset is made up as follows:

	<b>2020 £</b>	<b>2019 £</b>
Accelerated capital allowances	<b>12,319</b>	<b>7,832</b>
	<b>12,319</b>	<b>7,832</b>

---

## ZEST CARE HOMES LIMITED

---

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

---

#### 13. Share capital

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
999 (2019 - 999) Ordinary shares of £1.00 each	<b>999</b>	<b>999</b>

#### 14. 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.

#### 15. 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.