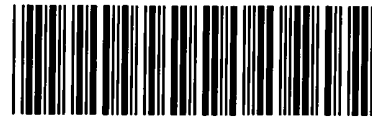


Company Number: 09904082

# Zelandia Honey Farms Limited

Annual report  
for the 10 month period ended 30 September 2016

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# **Zelandia Honey Farms Limited**

## **Annual report for the 10 month period ended 30 September 2016**

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# **Zelandia Honey Farms Limited**

## **Directors and advisers**

### **Directors**

F Whitcomb  
S Quinn  
S Ford  
K Warren

### **Secretary**

F Whitcomb

### **Registered office**

Alberto Road  
Valley Way  
Swansea  
SA6 8RG

### **Company number**

09904082

### **Independent auditors**

PricewaterhouseCoopers LLP  
Swansea University  
Institute of Life Science 1  
Singleton Park  
Swansea  
SA2 8PP

## **Zelandia Honey Farms Limited**

### **Strategic report for the 10 month period ended 30 September 2016**

The company was incorporated on 7 December 2015. These financial statements are for the 10 month period from incorporation to 30 September 2016. The directors present their strategic report together with the audited financial statements for the 10 month period ended 30 September 2016.

#### **Principal activities, review of business and future developments**

The principal activity of the company is the production and distribution of Manuka honey. The company was incorporated on 7 December 2015. On that day it acquired certain honey production assets from its now fellow subsidiary, Dr. Organic Limited. These assets were acquired for £1. It was acquired in July 2016 by NBTY (2015) Limited, part of the NBTY Inc group of companies.

The directors are satisfied as to the financial position at 30 September 2016. The loss for the financial period represents costs incurred as the first harvests have yet to be sold. The directors expect a profitable future as the company exploits future harvests.

#### **Principal risks and uncertainties**

The principal risks and uncertainties that the company faces are the prices in the Manuka honey market and the performance of the hives it owns in New Zealand.

#### **Liquidity risk**

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

#### **Key financial performance indicators**

The company has yet to complete the sale of its first harvest. Looking forward, the company's key financial performance indicator will be the levels of profitability to be generated from future harvests.

**By order of the board**



**F Whitcomb  
Director**

## **Zelandia Honey Farms Limited**

### **Directors' report for the 10 month period ended 30 September 2016**

The directors present their report together with the audited financial statements for the period ended 30 September 2016.

#### **Results and dividends**

The loss for the financial period after taxation amounted to £148,000. The directors have not paid or proposed a dividend in respect of the period.

#### **Directors**

The directors of the company at 30 September 2016 and for the whole of the period (unless otherwise stated) and up to the date of signing of the financial statements, were:

F Whitcomb	
S Quinn	
S Ford	(appointed 1 July 2016)
K Warren	(appointed 1 July 2016)

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements 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", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

## **Zelandia Honey Farms Limited**

### **Directors' report for the 10 month period ended 30 September 2016 (continued)**

#### **Independent auditors and statement of disclosure of information to auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

PricewaterhouseCoopers LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the board**

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

**F Whitcomb  
Director**

## **Zelandia Honey Farms Limited**

### **Independent auditors' report to the members of Zelandia Honey Farms Limited**

#### **Report on the financial statements**

In our opinion, Zelandia Honey Farms Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its loss for the 10 month period (the "period") 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.

#### **What we have audited**

The financial statements, included within the Annual Report, comprise:

- the balance sheet as at 30 September 2016;
- the profit and loss account and statement of comprehensive income for the period then ended;
- the statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

#### **Other matters on which we are required to report by exception**

##### **Adequacy of accounting records and information and explanations received**

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, 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.

We have no exceptions to report arising from this responsibility.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## **Zelandia Honey Farms Limited**

### **Independent auditors' report to the members of Zelandia Honey Farms Limited (continued)**

#### **Responsibilities for the financial statements and the audit**

##### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

##### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Mark Ellis (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Swansea, 29 June 2017



# **Zelandia Honey Farms Limited**

## **Profit and loss account for the 10 month period ended 30 September 2016**

	Note	10 month period ended 30 September 2016 £000
Turnover		-
Administrative expenses		(148)
Operating loss and loss on ordinary activities before interest and taxation	5	(148)
Loss on ordinary activities before taxation		(148)
Taxation on loss on ordinary activities	7	-
Loss for the financial period		(148)

## **Statement of comprehensive income**

	10 month period ended 30 September 2016 £000
Loss for the financial period	(148)
Other comprehensive income	-
Total comprehensive expense for the period	(148)

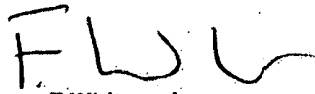
# Zelandia Honey Farms Limited

## Balance sheet at 30 September 2016

Company Number: 09904082

	Note	30 September 2016 £000
<b>Fixed assets</b>		
Tangible assets	8	523
<b>Current assets</b>		
Inventories	9	594
Debtors	10	190
Cash at bank and in hand		239
		1,023
<b>Creditors: amounts falling due within one year</b>	11	(1,694)
<b>Net current liabilities</b>		(671)
<b>Total assets less current liabilities and net assets</b>		(148)
<b>Capital and reserves</b>		
Called up share capital	12	-
Profit and loss account	12	(148)
<b>Total equity</b>		(148)

The financial statements on pages 7 to 15 were approved and authorised for issue by the Board of Directors on 29 June 2017 and were signed on its behalf by:

  
F Whitcomb  
Director

## Zelandia Honey Farms Limited

### Statement of changes in equity for the 10 month period ended 30 September 2016

	Called up share capital £000	Profit and loss account £000	Total equity £000
Loss for the financial period	-	(148)	(148)
Other comprehensive income for the period	-	-	-
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>(148)</b>	<b>(148)</b>
<b>Balance as at 30 September 2016</b>	<b>-</b>	<b>(148)</b>	<b>(148)</b>

## **Zelandia Honey Farms Limited**

### **Notes to the financial statements for the 10 month period ended 30 September 2016**

#### **1 General information**

Zelandia Honey Farms Limited ("the company") owns hives for the production of Manuka honey in New Zealand which it then distributes.

The company is a private company, limited by shares, and is incorporated and domiciled in England and Wales. The address of its registered office is Alberto Road, Valley Way, Swansea, SA6 8RC.

#### **2 Statement of compliance**

The financial statements of the company have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies Act 2006.

#### **3 Statement of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

##### **Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### **Going concern**

The company is financed by amounts due to group undertakings. The directors have received confirmation of support from that company and, on that basis, have concluded that it is appropriate to prepare the financial statements on the going concern basis.

##### **Exemptions for qualifying entities under FRS 102**

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its intermediate parent company, The Nature's Bounty Co Limited, includes the company's cash flows in its own consolidated financial statements.

The company has taken advantage of the exemption, under FRS 102 paragraph 33.7, from disclosing the total compensation of key management personnel, on the basis that it is a qualifying entity and its intermediate parent company, The Nature's Bounty Co Limited, includes the company's compensation in its own consolidated financial statements.

This information is included in the consolidated financial statements of The Nature's Bounty Co Ltd as at 30 September 2016.

##### **Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover consists of management services supplied to group companies. It is recognised on supply of those services.

## **Zelandia Honey Farms Limited**

### **Notes to the financial statements for the 10 month period ended 30 September 2016 (continued)**

#### **Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of Comprehensive Income, except that a change 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **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.

#### **Tangible 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 the 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 the estimated useful lives, using the straight line method. The depreciation rates are as follows:

Hives - 10 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 within 'other operating income' in the statement of comprehensive income.

#### **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 the profit or loss.

## **Zelandia Honey Farms Limited**

### **Notes to the financial statements for the 10 month period ended 30 September 2016 (continued)**

#### **Financial instruments**

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 payables or receivables, 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 profit and loss account.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

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.

#### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

#### **Related party transactions**

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### **4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be appropriate and reasonable in the circumstances.

- a) **Critical judgements in applying the entity's accounting policies**  
There is no area within the company's accounts where management has been required to apply a critical judgement.
- b) **Key accounting estimates and assumptions**  
**Inventory provisioning**  
It is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 9 for the net carrying amount of the inventory and associated provision.

## Zelandia Honey Farms Limited

### Notes to the financial statements for the 10 month period ended 30 September 2016 (continued)

#### 5 Operating loss

10 month  
period ended  
30 September  
2016  
£000

Operating loss is stated after charging:

Auditors' remuneration:

Audit services

5

#### 6 Employees and directors' remuneration

The company does not have any employees. There are no directors' emoluments.

#### 7 Tax on loss on ordinary activities

10 month  
period ended  
30 September  
2016  
£000

Current tax:

Corporation tax

Deferred tax:

Origination and reversal of timing differences

Total deferred tax

Tax on loss on ordinary activities

-

-

-

-

#### Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom (20%). The differences are explained below:

10 month  
period ended  
30 September  
2016  
£000

Loss on ordinary activities before taxation

(148)

Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK at 20%

(30)

Effects of:

Expenses not deductible for tax purposes

30

Tax charge for the period

-

## Zelandia Honey Farms Limited

### Notes to the financial statements for the 10 month period ended 30 September 2016 (continued)

#### 8 Tangible assets

	Hives £000
Cost and net book value At 7 December 2015	-
Additions	523
<b>At 30 September 2016</b>	<b>523</b>

#### 9 Inventories

	30 September 2016 £000
Work in progress	323
Finished goods and goods for resale	271
	<b>594</b>

#### 10 Debtors

	30 September 2016 £000
Other debtors	190

#### 11 Creditors: amounts falling due within one year

	30 September 2016 £000
Trade creditors	576
Amounts owed to group undertakings	1,118
	<b>1,694</b>

#### 12 Share capital and reserves

	30 September 2016 £000
Allotted, called up and fully paid 2 ordinary shares of £1 each	-

#### Profit and loss account

The profit and loss account represents the accumulated profits, losses and distribution of the company.

#### 13 Related party transactions

The company has availed itself of the exemption under FRS102 in relation to the disclosure of transactions with NBTY (2015) Limited, its 100% immediate parent company.

The company's initial shareholders were F Whitcomb and S Quinn. On 7 December 2015 the company acquired certain honey production assets from Dr. Organic Limited, a company formerly controlled by these two individuals. In July 2016, F Whitcomb and S Quinn sold their shares in the company to NBTY (2015) Limited, a company in which they are directors and shareholders.



## Zelandia Honey Farms Limited

### Notes to the financial statements for the 10 month period ended 30 September 2016 (continued)

#### 14 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of NBTY (2015) Limited (the immediate parent company), which is incorporated in England and Wales. The company's ultimate parent undertaking and controlling party at 30 September 2016 is The Carlyle Group, a company incorporated in the United States of America.

The Nature's Bounty Co Limited represents the largest and smallest level at which the results are consolidated at 30 September 2016. That company's financial statements may be obtained from Companies House.

#### 15 Financial instruments

The company has the following financial instruments:

	30 September 2016 £000
Financial assets that are measured at amortised cost:	
Other debtors	190
Financial liabilities measured at amortised cost:	
Trade creditors	576
Amounts owed by group undertakings	1,118
	1,694