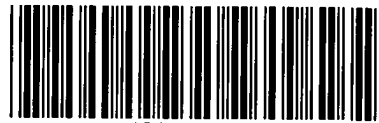


Registered number
SC317594

Zephir Limited

Directors' Report and Financial Statements
for the year ended
25 December 2016

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Zephir Limited
Directors' Report and Financial Statements
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Zephir Limited
Registered number: SC317594
Directors' Report

The directors present their report and financial statements for the year ended 25 December 2016.

Principal activities

The company's principal activity during the year continued to be the provision of equipment sales and rental to the renewable energy and other industries, primarily in the area of laser anemometry.

Proposed dividends

The results for the year are shown in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (2015: Nil).

Directors

The following persons served as directors during the year:

I Locker
N Emery
B Mindell (appointed 1st March 2016)
J Dowler (resigned 1st March 2016)
N Douglas (resigned 21st December 2016)

Political donations

The Company made no political donations or incurred any political expenditure during the year.

Disclosure of information to auditor

Each person who was a director at the time this report was approved confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.


Third party indemnity provisions

The directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Auditor

In accordance with Section 487 of the Companies Act 2006 the auditor, KPMG LLP will be deemed to be reappointed and therefore continue in office.

This report was approved by the board on 19th June 2017 and signed by its order.



J Lyne
Secretary

The Green House
Forrest Estate
St John's Town of Dalry
Castle Douglas DG7 3XS

Zephir Limited
Statement of Directors' Responsibilities

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Zephir Limited
Independent Auditor's Report
to the Member of Zephir Limited

We have audited the financial statements of Zephir Limited for the year ended 25 December 2016 set out on pages 5 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2016 and of its profit 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.

Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

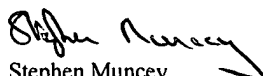
- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Zephir Limited
Independent Auditor's Report
to the Member of Zephir Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a *strategic* report.



Stephen Muncey
(Senior Statutory Auditor)
for and on behalf of
KPMG LLP
Statutory Auditors
Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB2 1AR

19th June 2017

Zephir Limited
Profit and Loss Account
for the year ended 25 December 2016

	Notes	2016 £ 000	2015 £ 000
Turnover	2	5,550	5,018
Other operating income	3	265	-
Staff costs	4	(2,211)	(2,027)
Depreciation and amortisation	6	(372)	(421)
Other operating charges		(2,634)	(2,357)
Operating profit	6	598	213
Interest payable and similar charges	7	(111)	(120)
Profit before taxation		487	93
Tax on profit on ordinary activities	8	(40)	(19)
Profit for the financial year		447	74

The notes on pages 8 to 19 form part of these financial statements.

All of the above transactions are from continuing activities. There were no recognised gains or losses for the period other than those reported in the profit and loss account.

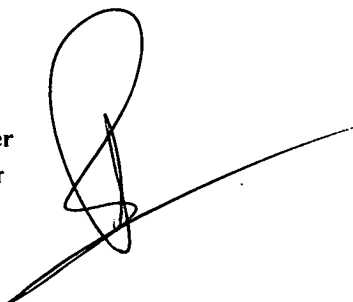
Zephir Limited
Balance Sheet
as at 25 December 2016

	Notes	2016 £ 000	2015 £ 000
Fixed assets			
Intangible assets	9	1,140	1,234
Tangible assets	10	<u>220</u>	<u>414</u>
		1,360	1,648
Current assets			
Stocks	11	794	790
Debtors	12	1,154	1,797
Cash at bank and in hand		<u>1,722</u>	<u>393</u>
		3,670	2,980
Creditors: amounts falling due within one year	13	(2,293)	(1,738)
Net current assets		<u>1,377</u>	<u>1,242</u>
Total assets less current liabilities		<u>2,737</u>	<u>2,890</u>
Creditors: amounts falling due after more than one year	14	(1,500)	(2,100)
Net assets		<u>1,237</u>	<u>790</u>
Capital and reserves			
Called up share capital	16	500	500
Profit and loss account	17	737	290
Shareholders funds		<u>1,237</u>	<u>790</u>

The notes on pages 8 to 19 form part of these financial statements.

These financial statements were approved by the board of directors on 19th June 2017 and were signed on its behalf by:

I Locker
Director




B Mindell
Director

Zephir Limited
Statement of Changes in Equity
for the year ended 25 December 2016

	Share capital	Profit and loss account	Total
	£ 000	£ 000	£ 000
Balance at 26 December 2014	500	216	716
Profit for the financial year	-	74	74
Balance at 25 December 2015	<u>500</u>	<u>290</u>	<u>790</u>
Balance at 26 December 2015	500	290	790
Profit for the financial year	-	447	447
Balance at 25 December 2016	<u>500</u>	<u>737</u>	<u>1,237</u>

The notes on pages 8 to 19 form part of these financial statements.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

1 Summary of significant accounting policies

Zephir Limited is a company limited by shares and incorporated and domiciled in the UK.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In the transition to FRS 102 from old UK GAAP, the Company has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 23.

The Company's ultimate parent undertaking, Fred. Dessen & Co. Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Fred. Dessen & Co. Limited are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Fred. Dessen & Co. Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of paragraph 36(4) of Schedule 1.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

Turnover from the rendering of services is recognised either in full upon completion of the work done, or is spread evenly over the duration of the contract, depending on the nature of the service performed.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

1 Summary of significant accounting policies (continued)

Basic financial instruments

- Trade and other debtors / creditors:

Trade and other debtors are recognised at transaction price less attributable transaction costs. Trade and other creditors are recognised at transaction price plus attributable transaction costs.

- Interest-bearing borrowings classified as basic financial instruments:

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

- Cash and cash equivalents:

Cash and cash equivalents comprise cash balances and call deposits.

Intangible fixed assets

Expenditure on development activities is capitalised where the directors consider that the product or process is technically and commercially feasible, the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable, and the Company can measure reliably the expenditure attributable to the intangible asset during its development.

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of licence costs is calculated to write off the cost of the licence evenly over the average life of the patents pertaining to the licence, which is 15 years. Computer software costs are amortised evenly over a period of 3 years.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Plant and machinery	3 years on a straight-line basis
IT and Computer Equipment	3 years on a straight-line basis

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

1 Summary of significant accounting policies (continued)

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate, or in periods in which the related costs are incurred.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the purchase price of the materials concerned, using the first-in first-out principle.

The carrying value of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Impairment of Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment of Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

1 Summary of significant accounting policies (continued)

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All exchange differences are charged to the profit and loss account.

Leased assets

A lease is classified as a finance lease where the company assumes substantially all of the risks and rewards of ownership. All other leases are classified as operating leases.

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred.

Pensions

Contributions to defined contribution plans are expensed in the period to which services are rendered by employees.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

2	Analysis of turnover	2016	2015
		£ 000	£ 000
	Sale of goods	4,812	3,898
	Services rendered	738	1,120
		<u>5,550</u>	<u>5,018</u>
	By geographical market:		
	UK	699	1,100
	Europe	1,526	2,356
	Rest of world	3,325	1,562
		<u>5,550</u>	<u>5,018</u>
3	Other operating income	2016	2015
		£ 000	£ 000
	Government grants	265	-
4	Staff costs	2016	2015
		£ 000	£ 000
	Wages and salaries	1,886	1,744
	Social security costs	231	197
	Other pension costs	94	86
		<u>2,211</u>	<u>2,027</u>
	Average number of employees during the year	Number	Number
	Administrative and Operational	39	35
	Management	1	1
		<u>40</u>	<u>36</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

5	Directors' remuneration	2016	2015
		£ 000	£ 000
	Remuneration	171	140
	Company contributions to defined contribution pension plans	14	14
		<u>185</u>	<u>154</u>
	Highest paid director:		
	Remuneration	171	140
	Company contributions to defined contribution pension plans	14	14
		<u>185</u>	<u>154</u>
	Number of directors to whom retirement benefits accrued:	2016	2015
		Number	Number
	Defined contribution plans	<u>1</u>	<u>1</u>
6	Expenses and auditors remuneration	2016	2015
		£ 000	£ 000
	Included in profit/loss are the following:		
	Depreciation of owned fixed assets	173	234
	Amortisation of intangible assets	199	187
	Operating lease rentals - plant and machinery	5	6
	Operating lease rentals - land and buildings	<u>65</u>	<u>60</u>
	Auditors remuneration:	2016	2015
		£ 000	£ 000
	Audit of these financial statements	5	6
	Tax and compliance services	<u>5</u>	<u>7</u>
7	Interest payable	2016	2015
		£ 000	£ 000
	Interest payable to group undertakings	<u>111</u>	<u>120</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

8 Taxation	2016	2015
	£ 000	£ 000
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	22	7
Adjustments in respect of previous periods	(77)	(100)
	(55)	(93)
Deferred tax:		
Origination and reversal of timing differences	64	15
Adjustments in respect of previous periods	3	97
Effect of decreased tax rate on opening asset	28	-
	40	19
Tax on profit on ordinary activities	40	19

Factors affecting tax charge in the period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2016	2015
	£ 000	£ 000
Profit on ordinary activities before tax	487	93
Standard rate of corporation tax in the UK	20.00%	20.25%
	£ 000	£ 000
Profit on ordinary activities multiplied by the standard rate of corporation tax	97	19
Effects of:		
Reduction in tax rate on deferred tax balances	17	-
Expenses not deductible for tax purposes	-	3
Adjustments to tax charge in respect of previous periods	(74)	(3)
Total tax charge for period	40	19

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015 and an additional reduction to 17% (effective 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 25 December 2016 has been calculated based on these rates.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

9 Intangible fixed assets

	Licence	Development	Computer	Total
	£ 000	Costs	Software	£ 000
Cost		£ 000	£ 000	
At 26 December 2015	2,764	61	35	2,860
Additions	-	105	-	105
At 25 December 2016	<u>2,764</u>	<u>166</u>	<u>35</u>	<u>2,965</u>
Amortisation				
At 26 December 2015	1,606	-	20	1,626
Provided during the year	187	-	12	199
At 25 December 2016	<u>1,793</u>	<u>-</u>	<u>32</u>	<u>1,825</u>
Carrying amount				
At 25 December 2016	<u>971</u>	<u>166</u>	<u>3</u>	<u>1,140</u>
At 25 December 2015	<u>1,158</u>	<u>61</u>	<u>15</u>	<u>1,234</u>

10 Tangible fixed assets

	Plant and	IT and	Total
	machinery	Computer	£ 000
	£ 000	Equipment	
Cost		£ 000	
At 26 December 2015	1,157	70	1,227
Additions	80	39	119
Disposals	(277)	-	(277)
At 25 December 2016	<u>960</u>	<u>109</u>	<u>1,069</u>
Depreciation			
At 26 December 2015	780	33	813
Charge for the year	149	24	173
On disposals	(137)	-	(137)
At 25 December 2016	<u>792</u>	<u>57</u>	<u>849</u>
Carrying amount			
At 25 December 2016	<u>168</u>	<u>52</u>	<u>220</u>
At 25 December 2015	<u>377</u>	<u>37</u>	<u>414</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

11 Stocks	2016	2015
	£ 000	£ 000
Raw materials and consumables	508	451
Work in progress	286	300
Finished goods and goods for resale	-	39
	<u>794</u>	<u>790</u>
 12 Debtors	 2016	 2015
	£ 000	£ 000
Trade debtors	829	1,288
Amounts owed by group undertakings	-	3
Deferred tax asset (see note 15)	96	191
Other debtors	206	149
Prepayments and accrued income	23	166
	<u>1,154</u>	<u>1,797</u>
 13 Creditors: amounts falling due within one year	 2016	 2015
	£ 000	£ 000
Trade creditors	372	246
Amounts owed to group undertakings	658	681
Accruals and deferred income	1,263	811
	<u>2,293</u>	<u>1,738</u>
 14 Creditors: amounts falling due after one year	 2016	 2015
	£ 000	£ 000
Amounts owed to group undertakings	<u>1,500</u>	<u>2,100</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

15 Deferred taxation	2016 £ 000	2015 £ 000
Accelerated capital allowances	(47)	11
Tax losses carried forward	143	180
	<u>96</u>	<u>191</u>

	2016 £ 000	2015 £ 000
At 25 December 2015	191	303
Charged to the profit and loss account	(95)	(112)
At 25 December 2016	<u>96</u>	<u>191</u>

16 Share capital	Nominal value	2016 Number	2016 £ 000	2015 £ 000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	500,000	<u>500</u>	<u>500</u>

17 Profit and loss account	2016 £ 000	2015 £ 000
At 26 December	290	216
Profit for the financial year	447	74
At 25 December	<u>737</u>	<u>290</u>

18 Defined contribution pension plans

The company operates a defined contribution pension plan.

The company's total pension contribution charge for the year was £93,900 (2015: £85,602).

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

19 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings	Land and buildings	Other	Other
	2016	2015	2016	2015
	£ 000	£ 000	£ 000	£ 000
Falling due:				
within one year	60	58	4	5
within two to five years	220	185	4	-
in over five years	101	145	-	-
	<u>381</u>	<u>388</u>	<u>8</u>	<u>5</u>

20 Contingent liabilities

The company is party to a Multilateral Guarantee with certain group companies guaranteeing overdraft and other facilities amounting to £Nil (2015: £Nil) at the year end.

21 Related party transactions

The Company has taken advantage of the exemption in FRS 102.33.1 (a) from disclosing transactions with its parent company or other wholly owned subsidiaries of the group.

22 Controlling party

The company is a subsidiary undertaking of Fred. Olsen Ltd., incorporated in England & Wales.

The largest group in which the results of the company are consolidated is that headed by Fred. Dessen & Co Limited, the company's ultimate parent company, incorporated in England & Wales. The consolidated accounts of this group are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF4 3UZ.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2016

23 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 25 December 2016 and the comparative information presented in these financial statements for the year ended 25 December 2015.

In preparing its FRS 102 balance sheet, the Company has adjusted amounts reported previously in financial statements

Reconciliation of equity

		26 December 2014			25 December 2015		
		Old UK GAAP	Effect of transition to FRS 102	FRS 102	Old UK GAAP	Effect of transition to FRS 102	FRS 102
	Note	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Fixed assets							
Intangible assets	a	1,345	26	1,371	1,219	15	1,234
Tangible fixed assets	a	392	(26)	366	429	(15)	414
		<u>1,737</u>	<u>-</u>	<u>1,737</u>	<u>1,648</u>	<u>-</u>	<u>1,648</u>
Current assets							
Stock		657	-	657	790	-	790
Debtors		1,976	-	1,976	1,797	-	1,797
Cash at bank and in hand		421	-	421	393	-	393
		<u>3,054</u>	<u>-</u>	<u>3,054</u>	<u>2,980</u>	<u>-</u>	<u>2,980</u>
Creditors: amounts falling due within one year		<u>(1,475)</u>	<u>-</u>	<u>(1,475)</u>	<u>(1,738)</u>	<u>-</u>	<u>(1,738)</u>
Net current assets		<u>1,579</u>	<u>-</u>	<u>1,579</u>	<u>1,242</u>	<u>-</u>	<u>1,242</u>
Total assets less current liabilities		<u>3,316</u>	<u>-</u>	<u>3,316</u>	<u>2,890</u>	<u>-</u>	<u>2,890</u>
Creditors: amounts falling due after more than one year		<u>(2,600)</u>	<u>-</u>	<u>(2,600)</u>	<u>(2,100)</u>	<u>-</u>	<u>(2,100)</u>
Net assets		<u>716</u>	<u>-</u>	<u>716</u>	<u>790</u>	<u>-</u>	<u>790</u>
Capital and reserves							
Called up share capital		500	-	500	500	-	500
Profit and loss account		216	-	216	290	-	290
Shareholders' equity		<u>716</u>	<u>-</u>	<u>716</u>	<u>790</u>	<u>-</u>	<u>790</u>

Notes to the reconciliation of equity

a.) Software costs that were previously included in tangible assets are now classified as intangible assets.

The transition from old UK GAAP to FRS 102 has had no effect on the profit and loss account.