

Registered number
SC317594

Zephir Limited

Directors' Report and Financial Statements
for the year ended
25 December 2017

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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 2017.

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 (2016: Nil).

Directors

The following persons served as directors during the year:

I Locker
N Emery
B Mindell
M Anderson (appointed 10th May 2018)

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 22nd May 2018 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 in respect of the Directors' Report and the Financial Statements

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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 ('the company') for the year ended 25 December 2017 which comprise the Profit and Loss account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1. 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".

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' Report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

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

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

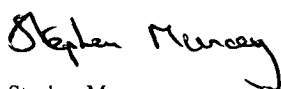
Auditors' responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



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

Dragonfly House
2 Gilders Way
Norwich
NR3 1UB

24th May 2018

Zephir Limited
Profit and Loss Account
for the year ended 25 December 2017

	Notes	2017 £ 000	2016 £ 000
Turnover	2	7,755	5,550
Other operating income	3	1,645	265
Staff costs	4	(2,534)	(2,211)
Depreciation and amortisation	6	(392)	(372)
Other operating charges		(4,510)	(2,634)
Operating profit	6	<u>1,964</u>	<u>598</u>
Interest payable and similar charges	7	(75)	(111)
Profit before taxation		<u>1,889</u>	<u>487</u>
Tax on profit	8	(354)	(40)
Profit for the financial year		<u>1,535</u>	<u>447</u>

The notes on pages 8 to 18 form part of these financial statements.

All of the above transactions are from continuing activities. There was no other comprehensive income in the above years and therefore no separate statement of other comprehensive income has been presented.

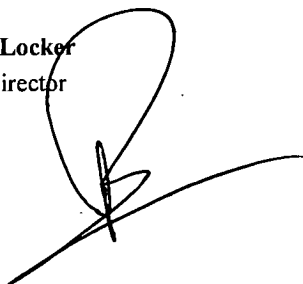
Zephir Limited
Balance Sheet
as at 25 December 2017

	Notes	2017 £ 000	2016 £ 000
Fixed assets			
Intangible assets	9	1,051	1,140
Tangible assets	10	<u>342</u>	<u>220</u>
		1,393	1,360
Current assets			
Stocks	11	1,221	794
Debtors	12	1,533	1,154
Cash at bank and in hand		<u>2,720</u>	<u>1,722</u>
		5,474	3,670
Creditors: amounts falling due within one year	13	(3,267)	(2,293)
Net current assets		<u>2,207</u>	<u>1,377</u>
Total assets less current liabilities		<u>3,600</u>	<u>2,737</u>
Creditors: amounts falling due after more than one year	14	(800)	(1,500)
Provisions for liabilities			
Deferred taxation	15	(28)	-
Net assets		<u>2,772</u>	<u>1,237</u>
Capital and reserves			
Called up share capital	16	500	500
Profit and loss account	17	2,272	737
Shareholders funds		<u>2,772</u>	<u>1,237</u>

The notes on pages 8 to 18 form part of these financial statements.

These financial statements were approved by the board of directors on 22nd May 2018 and were signed on its behalf by:

I Locker
Director



B. Mindell

B Mindell
Director

Zephir Limited
Statement of Changes in Equity
for the year ended 25 December 2017

	Share capital	Profit and loss account	Total
	£ 000	£ 000	£ 000
Balance at 26 December 2015	500	290	790
Total comprehensive income for the financial year	-	447	447
Balance at 25 December 2016	<u>500</u>	<u>737</u>	<u>1,237</u>
Balance at 26 December 2016	500	737	1,237
Total comprehensive income for the financial year	-	1,535	1,535
Balance at 25 December 2017	<u>500</u>	<u>2,272</u>	<u>2,772</u>

The notes on pages 8 to 18 form part of these financial statements.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

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.

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 2017

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 and development costs evenly over a period of 5 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 2017

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 2017

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 2017

2	Analysis of turnover	2017	2016
		£ 000	£ 000
	Sale of goods	6,801	4,812
	Services rendered	954	738
		<u>7,755</u>	<u>5,550</u>
	By geographical market:		
	UK	663	699
	Europe	3,388	1,526
	Rest of world	3,704	3,325
		<u>7,755</u>	<u>5,550</u>
3	Other operating income	2017	2016
		£ 000	£ 000
	Government grants	1,492	265
	Research and development expenditure credit	153	-
		<u>1,645</u>	<u>265</u>
4	Staff costs	2017	2016
		£ 000	£ 000
	Wages and salaries	2,168	1,886
	Social security costs	250	231
	Other pension costs	116	94
		<u>2,534</u>	<u>2,211</u>
	Average number of employees during the year	Number	Number
	Administrative and Operational	42	39
	Management	1	1
		<u>43</u>	<u>40</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

5	Directors' remuneration	2017	2016
		£ 000	£ 000
	Remuneration	192	171
	Company contributions to defined contribution pension plans	29	14
		<u>221</u>	<u>185</u>
	Number of directors to whom retirement benefits accrued:	2017	2016
		Number	Number
	Defined contribution plans	<u>1</u>	<u>1</u>
6	Expenses and auditors remuneration	2017	2016
		£ 000	£ 000
	Included in profit/loss are the following:		
	Depreciation of owned fixed assets	159	173
	Amortisation of intangible assets	233	199
	Operating lease rentals - plant and machinery	4	5
	Operating lease rentals - land and buildings	<u>82</u>	<u>65</u>
	Auditors remuneration:	2017	2016
		£ 000	£ 000
	Audit of these financial statements	8	5
	Tax and compliance services	<u>10</u>	<u>5</u>
7	Interest payable	2017	2016
		£ 000	£ 000
	Interest payable to group undertakings	<u>75</u>	<u>111</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

8 Taxation	2017 £ 000	2016 £ 000
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	222	22
Adjustments in respect of previous periods	7	(77)
	<u>229</u>	<u>(55)</u>
Deferred tax:		
Origination and reversal of timing differences	137	64
Adjustments in respect of previous periods	(12)	3
Effect of decreased tax rate on opening asset	-	28
	<u>354</u>	<u>40</u>
Tax on profit on ordinary activities		

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:

	2017 £ 000	2016 £ 000
Profit on ordinary activities before tax	<u>1,889</u>	<u>487</u>
Standard rate of corporation tax in the UK	19.25%	20.00%
	<u>£ 000</u>	<u>£ 000</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax	364	97
Effects of:		
Reduction in tax rate on deferred tax balances	(6)	17
Expenses not deductible for tax purposes	1	-
Adjustments to tax charge in respect of previous periods	(5)	(74)
	<u>354</u>	<u>40</u>
Total tax charge for period		

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax position at 25 December 2017 has been calculated based on these rates.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

9 Intangible fixed assets

	Licence	Development	Computer	
	£ 000	Costs	Software	Total
		£ 000	£ 000	£ 000
Cost				
At 26 December 2016	2,764	166	35	2,965
Additions	-	121	23	144
At 25 December 2017	<u>2,764</u>	<u>287</u>	<u>58</u>	<u>3,109</u>
Amortisation				
At 26 December 2016	1,793	-	32	1,825
Provided during the year	187	38	8	233
At 25 December 2017	<u>1,980</u>	<u>38</u>	<u>40</u>	<u>2,058</u>
Net book value				
At 25 December 2017	<u>784</u>	<u>249</u>	<u>18</u>	<u>1,051</u>
At 25 December 2016	<u>971</u>	<u>166</u>	<u>3</u>	<u>1,140</u>

10 Tangible fixed assets

	Leasehold	Fixtures and	Plant and	
	Improvements	Fittings	Equipment	Total
	£ 000	£ 000	£ 000	£ 000
Cost				
At 26 December 2016	-	-	1,069	1,069
Additions	120	29	177	326
Disposals	-	-	(112)	(112)
At 25 December 2017	<u>120</u>	<u>29</u>	<u>1,134</u>	<u>1,283</u>
Depreciation				
At 26 December 2016	-	-	849	849
Charge for the year	11	6	142	159
On disposals	-	-	(67)	(67)
At 25 December 2017	<u>11</u>	<u>6</u>	<u>924</u>	<u>941</u>
Net book value				
At 25 December 2017	<u>109</u>	<u>23</u>	<u>210</u>	<u>342</u>
At 25 December 2016	<u>-</u>	<u>-</u>	<u>220</u>	<u>220</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

11 Stocks	2017	2016
	£ 000	£ 000
Raw materials and consumables	572	508
Work in progress	548	286
Finished goods and goods for resale	101	-
	<u>1,221</u>	<u>794</u>
12 Debtors	2017	2016
	£ 000	£ 000
Trade debtors	823	829
Deferred tax asset (see note 15)	-	96
Other debtors	500	206
Prepayments and accrued income	210	23
	<u>1,533</u>	<u>1,154</u>
13 Creditors: amounts falling due within one year	2017	2016
	£ 000	£ 000
Trade creditors	513	372
Amounts owed to group undertakings	782	658
Corporation tax	85	-
Other taxes and social security costs	62	55
Other creditors	17	14
Accruals and deferred income	1,808	1,194
	<u>3,267</u>	<u>2,293</u>
14 Creditors: amounts falling due after one year	2017	2016
	£ 000	£ 000
Amounts owed to group undertakings	<u>800</u>	<u>1,500</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

15 Deferred taxation	2017 £ 000	2016 £ 000
Accelerated capital allowances	(28)	(47)
Tax losses carried forward	-	143
	<u>(28)</u>	<u>96</u>

	2017 £ 000	2016 £ 000
At 25 December 2016	96	191
Charged to the profit and loss account	(124)	(95)
At 25 December 2017	<u>(28)</u>	<u>96</u>

16 Share capital	Nominal value	2017 Number	2017 £ 000	2016 £ 000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	500,000	<u>500</u>	<u>500</u>

17 Profit and loss account	2017 £ 000	2016 £ 000
At 26 December	737	290
Profit for the financial year	1,535	447
At 25 December	<u>2,272</u>	<u>737</u>

18 Capital commitments	2017 £ 000	2016 £ 000
Amounts contracted for but not provided in the accounts	<u>19</u>	<u>-</u>

19 Defined contribution pension plans

The company operates a defined contribution pension plan.

The company's total pension contribution charge for the year was £115,636 (2016: £93,900).

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2017

20 Other financial commitments

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

	Land and buildings	Other	Land and buildings	Other
	2017	2017	2016	2016
	£ 000	£ 000	£ 000	£ 000
Falling due:				
within one year	81	4	60	4
within two to five years	301	-	220	4
in over five years	83	-	101	-
	<u>465</u>	<u>4</u>	<u>381</u>	<u>8</u>

21 Contingent liabilities

The company is party to a Multilateral Guarantee with certain group companies guaranteeing overdraft and other facilities amounting to £Nil (2016: £Nil) at the year end.

22 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.

23 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.