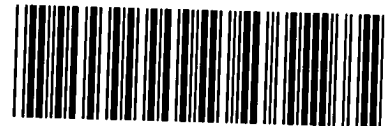


Registered number
SC317594

Zephir Limited

Directors' Report and Financial Statements
for the year ended
25 December 2018

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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 2018.

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.

Results and 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 (2017: Nil).

Directors

The following persons served as directors during the year and subsequent to the year end:

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

Political and charitable donations

The Company made no political or charitable donations, nor incurred any political expenditure during the year (2017: Nil).

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.

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.

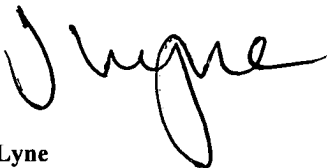
Third party indemnity provisions

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 13th June 2019 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 they 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

Opinion

We have audited the financial statements of Zephir Limited ('the company') for the year ended 25 December 2018 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2018 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.

The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of investments, intangibles assets, tangible assets, debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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 a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

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.

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

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.

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 Auditor
Chartered Accountants

Dragonfly House
2 Gilders Way
Norwich
NR3 1UB

20th June 2019

Zephir Limited
Profit and Loss Account
for the year ended 25 December 2018

	Notes	2018 £ 000	2017 £ 000
Turnover	2	8,828	7,755
Other operating income	3	448	1,645
Staff costs	4	(2,867)	(2,534)
Depreciation and amortisation	6	(425)	(392)
Other operating charges		(4,335)	(4,510)
Operating profit	6	<u>1,649</u>	<u>1,964</u>
Interest payable and similar expenses	7	(34)	(75)
Profit before taxation		<u>1,615</u>	<u>1,889</u>
Tax on profit	8	(338)	(354)
Profit for the financial year		<u>1,277</u>	<u>1,535</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 2018

	Notes	2018 £ 000	2017 £ 000
Fixed assets			
Intangible assets	9	1,033	1,051
Tangible assets	10	308	342
Investments	11	100	-
		<u>1,441</u>	<u>1,393</u>
Current assets			
Stocks	12	1,126	1,221
Debtors	13	1,568	1,533
Cash at bank and in hand		<u>3,830</u>	<u>2,720</u>
		<u>6,524</u>	<u>5,474</u>
Creditors: amounts falling due within one year	14	(3,881)	(3,267)
Net current assets		<u>2,643</u>	<u>2,207</u>
Total assets less current liabilities		<u>4,084</u>	<u>3,600</u>
Creditors: amounts falling due after more than one year	15	-	(800)
Provisions for liabilities			
Deferred taxation	16	(35)	(28)
Net assets		<u>4,049</u>	<u>2,772</u>
Capital and reserves			
Called up share capital	17	500	500
Profit and loss account	18	3,549	2,272
Shareholders funds		<u>4,049</u>	<u>2,772</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 13th June 2019 and were signed on its behalf by:

I Locker
Director



B. Mindell
B Mindell
Director

Registered number: SC317594

Zephir Limited
Statement of Changes in Equity
for the year ended 25 December 2018

	Share capital	Profit and loss account	Total
	£ 000	£ 000	£ 000
Balance at 26 December 2016	500	737	1,237
Total comprehensive income for the financial year			
Profit	-	1,535	1,535
Balance at 25 December 2017	<u>500</u>	<u>2,272</u>	<u>2,772</u>
 Balance at 26 December 2017	 500	 2,272	 2,772
Total comprehensive income for the financial year			
Profit	-	1,277	1,277
Balance at 25 December 2018	<u>500</u>	<u>3,549</u>	<u>4,049</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 2018

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 the 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.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

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.

Zephyr Limited
Notes to the Accounts
for the year ended 25 December 2018

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.

Zephyr Limited
Notes to the Accounts
for the year ended 25 December 2018

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 2018

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 2018

2	Analysis of turnover	2018	2017
		£ 000	£ 000
	By activity:		
	Sale of goods	7,686	6,801
	Services rendered	1,142	954
		<u>8,828</u>	<u>7,755</u>
	By geographical market:		
	UK	1,078	663
	Europe	2,904	3,388
	Rest of world	4,846	3,704
		<u>8,828</u>	<u>7,755</u>
3	Other operating income	2018	2017
		£ 000	£ 000
	Government grants	333	1,492
	Research and development expenditure credit	115	153
		<u>448</u>	<u>1,645</u>
4	Staff costs	2018	2017
		£ 000	£ 000
	Wages and salaries	2,458	2,168
	Social security costs	282	250
	Other pension costs	127	116
		<u>2,867</u>	<u>2,534</u>
	Average number of employees during the year	Number	Number
	Administrative and Operational	46	42
	Management	1	1
		<u>47</u>	<u>43</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2018

5	Directors' remuneration	2018	2017
		£ 000	£ 000
	Remuneration	227	192
	Company contributions to defined contribution pension plans	33	29
		<u>260</u>	<u>221</u>
	Directors' remuneration includes fees in respect of consultancy services £5,833 (2017: £nil).		
	Highest paid director:		
	Remuneration	221	192
	Company contributions to defined contribution pension plans	33	29
		<u>254</u>	<u>221</u>
	Number of directors to whom retirement benefits accrued:	2018	2017
		Number	Number
	Defined contribution plans	<u>1</u>	<u>1</u>
6	Expenses and auditors remuneration	2018	2017
		£ 000	£ 000
	Included in profit/loss are the following:		
	Depreciation of owned fixed assets	168	159
	Amortisation of intangible assets	257	233
	Operating lease rentals - plant and machinery	4	4
	Operating lease rentals - land and buildings	88	82
		<u>88</u>	<u>82</u>
	Auditors remuneration:	2018	2017
		£ 000	£ 000
	Audit of these financial statements	9	8
	Tax and compliance services	7	10
		<u>7</u>	<u>10</u>
7	Interest payable and similar expenses	2018	2017
		£ 000	£ 000
	Interest payable to group undertakings	<u>34</u>	<u>75</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2018

8 Taxation	2018	2017
	£ 000	£ 000
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	326	222
Adjustments in respect of previous periods	5	7
	<u>331</u>	<u>229</u>
Deferred tax:		
Origination and reversal of timing differences	5	137
Adjustments in respect of previous periods	2	(12)
	<u>338</u>	<u>354</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:

	2018	2017
	£ 000	£ 000
Profit on ordinary activities before tax	<u>1,615</u>	<u>1,889</u>
Standard rate of corporation tax in the UK	19.00%	19.25%
	£ 000	£ 000
Profit on ordinary activities multiplied by the standard rate of corporation tax	307	364
Effects of:		
Reduction in tax rate on deferred tax balances	23	(6)
Expenses not deductible for tax purposes	1	1
Adjustments to tax charge in respect of previous periods	7	(5)
	<u>338</u>	<u>354</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 2018 has been calculated based on these rates.

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2018

9 Intangible fixed assets

	Licence	Development	Computer	Total
	£ 000	Costs	Software	£ 000
		£ 000	£ 000	
Cost				
At 26 December 2017	2,764	287	58	3,109
Additions	-	228	11	239
At 25 December 2018	<u>2,764</u>	<u>515</u>	<u>69</u>	<u>3,348</u>
Amortisation				
At 26 December 2017	1,980	38	40	2,058
Provided during the year	187	61	9	257
At 25 December 2018	<u>2,167</u>	<u>99</u>	<u>49</u>	<u>2,315</u>
Net book value				
At 25 December 2018	<u>597</u>	<u>416</u>	<u>20</u>	<u>1,033</u>
At 25 December 2017	<u>784</u>	<u>249</u>	<u>18</u>	<u>1,051</u>

10 Tangible fixed assets

	Leasehold	Fixtures and	Plant and	Total
	Improvements	Fittings	Equipment	£ 000
	£ 000	£ 000	£ 000	
Cost				
At 26 December 2017	120	29	1,134	1,283
Additions	16	11	186	213
Disposals	-	-	(184)	(184)
At 25 December 2018	<u>136</u>	<u>40</u>	<u>1,136</u>	<u>1,312</u>
Depreciation				
At 26 December 2017	11	6	924	941
Charge for the year	19	13	136	168
On disposals	-	-	(105)	(105)
At 25 December 2018	<u>30</u>	<u>19</u>	<u>955</u>	<u>1,004</u>
Net book value				
At 25 December 2018	<u>106</u>	<u>21</u>	<u>181</u>	<u>308</u>
At 25 December 2017	<u>109</u>	<u>23</u>	<u>210</u>	<u>342</u>

Zephir Limited
Notes to the Accounts
for the year ended 25 December 2018

11 Investments	2018	2017
	£ 000	£ 000

Shares in subsidiary undertakings	100	-
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The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	%	Capital and reserves £ 000	Profit (loss) for the year £ 000
ZX Measurement Services Limited	Ordinary	100	3	(97)

ZX Measurement Services Limited is a company registered in Scotland and was incorporated on 18th October 2005.

12 Stocks	2018	2017
	£ 000	£ 000

Raw materials and consumables	346	572
Work in progress	378	548
Finished goods and goods for resale	402	101
	<u>1,126</u>	<u>1,221</u>

13 Debtors	2018	2017
	£ 000	£ 000

Trade debtors	1,081	823
Amounts owed by group undertakings	211	-
Other debtors	134	500
Prepayments and accrued income	142	210
	<u>1,568</u>	<u>1,533</u>

Debtors include amounts owed by group undertakings of £200,000 (2017: £nil) due after more than one year.

14 Creditors: amounts falling due within one year	2018	2017
	£ 000	£ 000

Trade creditors	416	513
Amounts owed to group undertakings	943	782
Corporation tax	246	85
Other taxes and social security costs	55	62
Other creditors	19	17
Accruals and deferred income	2,202	1,808
	<u>3,881</u>	<u>3,267</u>

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15 Creditors: amounts falling due after one year			2018	2017
			£ 000	£ 000
Amounts owed to group undertakings			-	800
16 Deferred taxation			2018	2017
			£ 000	£ 000
Accelerated capital allowances			(35)	(28)
			2018	2017
			£ 000	£ 000
At 25 December 2017			(28)	97
Charged to the profit and loss account			(7)	(125)
At 25 December 2018			(35)	(28)
17 Share capital	Nominal	2018	2018	2017
	value	Number	£ 000	£ 000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	500,000	500	500
18 Profit and loss account			2018	2017
			£ 000	£ 000
At 26 December			2,272	737
Profit for the financial year			1,277	1,535
At 25 December			3,549	2,272
19 Capital commitments			2018	2017
			£ 000	£ 000
Amounts contracted for but not provided in the accounts			42	19

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20 Defined contribution pension plans

The company operates a defined contribution pension plan.

The company's total pension contribution charge for the year was £127,210 (2017: £115,636).

21 Other financial commitments

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

	Land and buildings	Other	Land and buildings	Other
	2018	2018	2017	2017
	£ 000	£ 000	£ 000	£ 000
Falling due:				
within one year	88	-	81	4
within two to five years	317	-	301	-
in over five years	17	-	83	-
	<u>422</u>	<u>-</u>	<u>465</u>	<u>4</u>

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.