

Company Registration No. 10416652 (England and Wales)

WISE ZONE LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2019
PAGES FOR FILING WITH REGISTRAR

WISE ZONE LTD

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WISE ZONE LTD
BALANCE SHEET
AS AT 31 OCTOBER 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Investments	2		1		1
Current assets					
Debtors	4	2,542,851		2,524,851	
Cash at bank and in hand		4,807		24,308	
		<u>2,547,658</u>		<u>2,549,159</u>	
Creditors: amounts falling due within one year	5	<u>(2,777,098)</u>		<u>(2,686,042)</u>	
Net current liabilities			<u>(229,440)</u>		<u>(136,883)</u>
Total assets less current liabilities			<u><u>(229,439)</u></u>		<u><u>(136,882)</u></u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			<u>(229,539)</u>		<u>(136,982)</u>
Total equity			<u><u>(229,439)</u></u>		<u><u>(136,882)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial Period ended 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the Period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 13 July 2020 and are signed on its behalf by:

Dr M Li
Director

Company Registration No. 10416652

WISE ZONE LTD

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 OCTOBER 2019

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 November 2017	100	(39,042)	(38,942)
Period ended 31 October 2018:			
Loss and total comprehensive income for the period	-	(97,940)	(97,940)
Balance at 31 October 2018	100	(136,982)	(136,882)
Period ended 31 October 2019:			
Loss and total comprehensive income for the period	-	(92,557)	(92,557)
Balance at 31 October 2019	100	(229,539)	(229,439)

WISE ZONE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 OCTOBER 2019

1 Accounting policies

Company information

Wise Zone Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Crowe U.K. LLP, 3rd Floor, The Lexicon, Mount Street, Manchester, M2 5NT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Loans from a third party have been arranged by the directors to assist in the company's business activities to date. Further support is to be provided by the directors as and when is required for the foreseeable future.

In her assessment of going concern the director has considered the current and developing impact on the business as a result of the COVID19 virus. This has not had a significant, immediate impact on the company's operations due to lack of activity in the business but the director is aware that if the current situation becomes prolonged then this may change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Client has assessed and is worried but has mitigating processes and plans in place to 'hopefully' see this through (there is not at present a material uncertainty).

In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID19 virus; that the property market will be affected, especially retail and office properties.

This may have an immediate impact on the company's operations although there isn't any trading taking place, at the present time, it is not clear how long the current circumstances are likely to last and what the long term impact will be.

1.3 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

WISE ZONE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2019

1 Accounting policies (Continued)

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2019

2 Fixed asset investments

	2019	2018
	£	£
Investments	1	1

Fixed asset investments consist of shares held in the subsidiary and are measured at cost less impairment. These are detailed in note 4.

3 Subsidiaries

Details of the company's subsidiaries at 31 October 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Plymouth Grove Property Developments Limited	United Kingdom	Property development	Ordinary	100.00

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	2,542,851	2,524,851

In 2018, the company purchased a property on behalf of Plymouth Grove Property Developments Limited resulting in a balance owed to the company at 31 October 2019 £2,542,850.84 (in 2018 of £2,524,198) and is included within debtors due within one year.

There is no interest payable on this balance and the loans are unsecured loans with no fixed repayment dates.

WISE ZONE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2019

5 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Other borrowings		2,775,027	2,683,407
Other creditors		901	901
Accruals and deferred income		1,170	1,734
		<u>2,777,098</u>	<u>2,686,042</u>

During the year, the company received loans from Insighttix Trading Limited resulting in a balance owed by the company at 31 October 2019 of £2,775,026.67 (in 2018 of £2,683,407) and is included within creditors due within one year. This balance includes interest payable totalling £225,027 which has been charged at an annual rate of 4%.

It has been agreed between both parties that the length of the loan must not exceed 10 years, however Insighttix Trading Limited reserve the right to call for repayment of the loans on demand by providing 1 months' notice. The loans are otherwise unsecured loans with no fixed repayment dates.

6 Related party transactions

The company has taken advantage of the exemption available under FRS 102 not to disclose transactions between itself and its subsidiary company, Plymouth Grove Property Developments Ltd.

7 Directors' transactions

During the period, the company operated a loan account with director Mrs M Li. At the balance sheet date, the company owed Mrs M Li £901 (2018- £901), this is included within other creditors.

This loan is repayable on demand and no interest was charged during the period.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.