

Zazoo Limited
Annual Report and Financial Statements
Registered Number 09265606
For the year ended 30 June 2017

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Company Information

Director H G Kotze

Registered office Evergreen House North Euston Road
Grafton Place
London
England
NW1 2DX

Registered number 09265606

Accountants KPMG LLP
15 Canada Square
London
E14 5GL

Balance Sheet

At 30 June 2017

	Note	2017	2016
		£	£
Fixed assets			
Tangible assets	4	23,835	18,069
		<u>23,835</u>	<u>18,069</u>
Current assets			
Debtors	5	96,409	111,473
Cash at bank and in hand		285,183	85,198
		<u>381,592</u>	<u>196,671</u>
Creditors : amounts falling due within one year	6	<u>(3,540,499)</u>	<u>(1,924,788)</u>
Net current liabilities		<u>(3,158,907)</u>	<u>(1,728,117)</u>
Total assets less current liabilities		<u>(3,135,072)</u>	<u>(1,710,048)</u>
Net liabilities		<u>(3,135,072)</u>	<u>(1,710,048)</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		<u>(3,135,073)</u>	<u>(1,710,049)</u>
Shareholders' funds		<u>(3,135,072)</u>	<u>(1,710,048)</u>

For the year ending 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledge his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. In accordance with the special provisions applicable to companies subject to the small companies regime as permitted by section 444(5) of the Companies Act 2006, the entity profit and loss account and directors' report is not included as part of these filed financial statements.

Approved by the Board and authorised for issue on by:


H.G. Kotze - Director
Company Registration No: 09265606

The notes on pages 3 to 7 form part of these financial statements.

Notes

(Forming part of the financial statements)

1 Accounting policies

Zazoo Limited (the "company") is a private company incorporated, domiciled and registered in England in the UK.

These financial statements were prepared in accordance with Section 1A of the Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

These financial statements for the year ended 30 June 2017 are the first financial statements of Zazoo Limited prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 July 2015. In the transition to FRS102 from old UK GAAP, the company has made no measurement and recognition adjustments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. The director is of the opinion that due to the nature of the business, there are no critical accounting estimates or judgments used in the preparation of these financial statements.

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

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The director believes that notwithstanding current year losses of £1,425,024, net current liabilities of £3,158,907 and net liabilities of £3,135,072, the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding from the parent holding will be adequate to meet the company's needs for a period of at least 12 months from the date of approval of these financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Notes (Continued)

1 Accounting policies (continued)

1.5 Tangible fixed assets

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

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Computer equipment:	33.3% on straight line basis
Office equipment:	16.7% on straight line basis

1.6 Impairment

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.

Non-financial assets

The carrying amounts of the company's non-financial assets 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 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.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

1.7 Turnover

Turnover represents amounts receivable for goods and services net of VAT. The total turnover of the company for the year has been derived from its principal activities. Turnover is recognised in the period in which services are completed.

Notes (Continued)

1 Accounting policies (continued)

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year was 5 (2016: 5).

3 Taxation

Total tax recognised in the profit and loss account

	2017 £	2016 £
<i>Current tax</i>		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/> <hr/>	<hr/> <hr/>

Notes (Continued)

4 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 July 2016	6,032	13,178	19,210
Additions	10,316	2,669	12,985
At 30 June 2017	16,348	15,847	32,195
Depreciation			
At 1 July 2016	775	366	1,141
Charge for the year	4,664	2,555	7,219
At 30 June 2017	5,439	2,921	8,360
Net Book Value At 30 June 2017	10,909	12,926	23,835
Net Book Value At 30 June 2016	5,257	12,812	18,069

5 Debtors

	2017 £	2016 £
Trade debtors	432	5,850
Other debtors	73,773	105,623
Prepayments and accrued income	22,204	-
	96,409	111,473

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Amount owed to group undertakings	3,501,782	1,894,797
Other creditors	26,275	22,161
Accruals and deferred income	12,442	7,830
	3,540,499	1,924,788

Notes (Continued)

7 Called up share capital

Allotted, issued and fully paid:

	2017 £	2016 £
1 Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

8 Related party transactions

During the year ended 30 June 2017, Net 1 UEPS Technologies Inc made loans of £1,614,300 (2016: £1,681,363) and received no repayment. As at 30 June 2017, the company owed £3,500,746 (2016: £1,886,446) to Net 1 UEPS Technologies Inc. Net 1 UEPS Technologies Inc, is the parent holding of Zazoo Limited. The loan is interest free and repayable on demand.

During the year ended 30 June 2017, Net 1 Applied Technologies SA Pty Ltd made trade loans of £18,614 (2016: £15,399) and received repayments of £18,128 (2016: £45,160). As at 30 June 2017, the company owed £486 (2016: nil) to Net 1 Applied Technologies SA Ltd. Net 1 Applied Technologies SA Pty Ltd and Zazoo Limited are subsidiaries of Net 1 UEPS Technologies Inc. The loan is interest free and repayable on demand.

During the year ended 30 June 2017, Net 1 Mobile Solutions Pty Ltd made trade loans of £549 (2016: £11,409) and received repayments of £nil (2016: £17,973). As at 30 June 2017, the company owed £549 (2016: nil) to Net 1 Mobile Solutions Pty Ltd. Net 1 Mobile Solutions Pty Ltd and Zazoo Limited are subsidiaries of Net 1 UEPS Technologies Inc.. The loan is interest free and repayable on demand.

During the year ended 30 June 2017, Net 1 Fihrst Holdings Pty Ltd made trade loans of £19,737 (2016: £8,351) and received repayments of £28,088 (2016: £nil). As at 30 June 2017, the company owed £nil (2016: £8,351) to Net 1 Fihrst Holdings Pty Ltd. Net 1 Mobile Solutions Pty Ltd and Zazoo Limited are subsidiaries of Net 1 UEPS Technologies Inc.. The loan is interest free and repayable on demand.

During the year ended 30 June 2017, Prism Payment Technologies Pty Ltd made trade loans of £124,650 (2016: £77,151) and received repayments of £124,650 (2016: £112,704). As at 30 June 2017, the company owed £nil (2016: nil) to Prism Payment Technologies Pty Ltd. Net 1 Mobile Solutions Pty Ltd and Zazoo Limited are subsidiaries of Net 1 UEPS Technologies Inc.. The loan is interest free and repayable on demand.

The company's ultimate parent undertaking, Net1 UEPS Technologies Inc includes the company in its consolidated financial statements. The consolidated financial statements of Net1 UEPS Technologies Inc are prepared in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and U.S GAAP. The consolidated financial statements of Net1 UEPS Technologies Inc are available to the public and may be obtained from <http://ir.net1.com/phoenix.zhtml?c=73876&p=irol-reportsannual>.