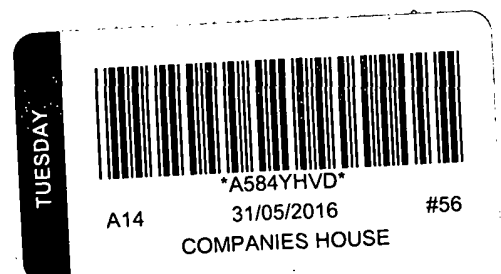


Registered number: 2029103

Zoom.Co.UK Limited

**Annual report and financial statements
for the year ended 29 August 2015**



Zoom.Co.UK Limited

Company Information

Directors	RL Burchill R de Dombal GA Hague S Wightman
Company secretary	R Flaherty
Registered number	2029103
Registered office	Colegrave House 70 Berners Street London W1T 3NL
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Benson House 33 Wellington Street Leeds LS1 4JP

Zoom.Co.UK Limited

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Zoom.Co.UK Limited

Strategic report for the year ended 29 August 2015

Introduction

The directors present their Annual report and the audited financial statements of the Company for the year ended 29 August 2015.

Results for the year

The loss for the financial year amounted to £7,000 (2015: £5,000).

Principal Activities

The principal activity of the Company is the provision of internet design and production services to companies within the Arcadia group. It also acts as an intermediary for these companies, providing web based promotion and a sales and distribution channel for their products.

Business review

During the year, the Company was a wholly owned subsidiary of Taveta Investments Limited and a review of the group's businesses during the year, its future outlook and its position at 29 August 2015 is given on page 1 to the financial statements of that company.

Management and reporting of risks and Key Performance Indicators (KPIs)

The directors of Taveta Investments Limited manage the Company's risks and those of its fellow subsidiaries at a group level. Furthermore, they monitor the group's performance on a brand basis rather than at statutory company level.

For these reasons the Company's directors do not believe that a discussion of the principal risks facing the Company or of the KPIs used to analyse its performance is appropriate for an understanding of its development, performance or financial position.

The KPIs used by the group and the principal business risks it faces, are discussed on page 1 of Taveta Investments Limited's annual report which does not form part of this report.

This report was approved by the board on 27 May 2016 and signed on its behalf.



S Wightman
Director

Zoom.Co.UK Limited

Directors' report for the year ended 29 August 2015

The directors present their report and the audited financial statements for the year ended 29 August 2015.

Dividends

The directors are unable to recommend the payment of a dividend and hence the loss in respect of the year of £7,000 (2014: £5,000) has been deducted from reserves.

Matters covered in the Strategic report

The principal activities and the business review are both discussed in the strategic report on page 1.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

RL Burchill
R de Dombal
GA Hague
S Wightman

Employment policies

Staff are consulted on a regular basis so that their views can be taken into account in making decisions that are likely to affect their interests as employees. They are also made aware of the financial and economic factors that affect the performance of the Company via a number of communication channels including face-to-face briefings, an intranet site supplemented by e-mail announcements and a staff magazine.

The board recognises the importance of a highly motivated and well trained workforce. It encourages employees' involvement in the Company's performance through their participation in a variety of incentive bonus schemes linked to the achievement of operational or financial targets in the part of the business for which they work, and it invests in training programmes aimed at achieving the highest standards of personal development and customer service.

The Company is an equal opportunities employer, recruiting and promoting employees on the basis of suitability for the job and on no other grounds. Proper consideration is given to employment applications from disabled persons whose aptitude and skills can be utilised within the business and to their training and career progression. Wherever possible, this includes the retraining and retention of staff that become disabled during their employment.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group Company (Taveta Investments Limited) also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Zoom.Co.UK Limited

Directors' report for the year ended 29 August 2015

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The Company has passed an elective resolution to dispense with the annual appointment of auditors. PricewaterhouseCoopers LLP will therefore continue as auditors in accordance with and subject to Section 487 of the Companies Act 2006.

Going concern

In the opinion of the directors it is appropriate to prepare the financial statements on the going concern basis as Taveta Investments (No.2) Limited (a parent company) has given an undertaking to provide the Company with continuing financial support for a period of at least twelve months from the date on which the financial statements were signed.

This report was approved by the board on 27 May 2016 and signed on its behalf.



**S Wightman
Director**

Zoom.Co.UK Limited

Independent auditors' report to the members of Zoom.Co.UK Limited

Report on the financial statements

Our Opinion

In our opinion, Zoom.Co.UK Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 29 August 2015 and its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 29 August 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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 company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Zoom.Co.UK Limited

Independent auditors' report to the members of Zoom.Co.UK Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Steve Denison (Senior Statutory Auditor)
for and on behalf of

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Leeds

27 May 2016

Zoom.Co.UK Limited

Profit and loss account for the year ended 29 August 2015

	Note	2015 £000	2014 £000
Turnover	1,2	59,583	57,372
Cost of sales		(23,606)	(19,416)
Gross profit		35,977	37,956
Distribution costs		(35,977)	(37,956)
Result on ordinary activities before taxation	3	-	-
Tax on result on ordinary activities	5	(7)	(5)
Loss for the financial year		(7)	(5)

All amounts relate to continuing operations.

There were no recognised gains and losses for the financial years stated above other than those included in the profit and loss account.

There are no material differences between the result on ordinary activities before taxation and the loss for the financial years stated above and their historical cost equivalents.

The notes on pages 8 to 14 form part of these financial statements.

Zoom.Co.UK Limited
Registered number: 2029103

Balance sheet
as at 29 August 2015

	Note	£000	2015 £000	£000	2014 £000
Fixed assets					
Tangible assets	6		4,974		3,710
Current assets					
Debtors	7	1,291		2,708	
Cash at bank and in hand		-		1,105	
		<u>1,291</u>		<u>3,813</u>	
Creditors: amounts falling due within one year	8	<u>(9,836)</u>		<u>(11,087)</u>	
Net current liabilities			<u>(8,545)</u>		<u>(7,274)</u>
Total assets less current liabilities			<u><u>(3,571)</u></u>		<u><u>(3,564)</u></u>
Capital and reserves					
Called up share capital	10		400		400
Profit and loss account			<u>(3,971)</u>		<u>(3,964)</u>
Total shareholders' deficit	11		<u><u>(3,571)</u></u>		<u><u>(3,564)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 May 2016.



S Wightman
Director

The notes on pages 8 to 14 form part of these financial statements.

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been consistently applied, is set out below.

1.2 Going concern

In the opinion of the directors it is appropriate to prepare the financial statements on the going concern basis as Taveta Investments (No. 2) Limited (a parent company) has given an undertaking to provide the Company with continuing financial support for a period of at least twelve months from the date on which the financial statements were signed.

1.3 Cash flow

The Company has taken advantage of the exemption allowed by Financial Reporting Standard 1 (revised) from preparing a cash flow statement, as the Company's cash flows are included within the consolidated cash flow statement of Taveta Investments Limited, the ultimate parent undertaking.

1.4 Turnover

Turnover comprises postage and packaging income levied on external customers on the despatch of their goods. It also includes recharges to Arcadia group companies of the costs associated with hosting their websites and is stated net of value added tax.

1.5 Tangible assets and depreciation

Tangible assets are stated at cost less depreciation. Cost includes the original purchase price of the assets and the costs attributable to bring the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer equipment	- 2 to 4 years
--------------------	----------------

1.6 Impairment of fixed assets

Fixed asset values are reviewed, where there is an indication that their carrying value may have been impaired, in accordance with FRS 11: Impairment of fixed assets and goodwill. Fixed assets are attributed to individual businesses and the recoverability of each business' fixed assets is determined by reference to the higher of their net realisable value and value in use. In this latter regard, value in use is assessed by reviewing the business' cash flows over the expected useful economic life of the related fixed assets. These cash flows are then discounted using a rate of return appropriate to the specific business.

Where the carrying value of fixed assets exceeds their recoverable amount, impairment has occurred and their carrying value is written down accordingly. If subsequent reviews indicate that the assets are no longer impaired, the related provision will be reversed.

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies (continued)

1.7 Taxation

Corporation tax payable is provided on taxable profits at the rate prevailing during the year.

Deferred taxation is provided on all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying tax differences can be deducted.

Deferred tax assets and liabilities are not discounted.

1.8 Pension costs

The Company's employees participate in two defined benefit schemes operated by the Group to which the Company contributes in order to provide pension and other benefits expressed in terms of a percentage of pensionable salary. Although this pension scheme is defined benefit in nature the Company accounts for its contributions as though they were to a defined contribution scheme as the Company is unable to identify its share of the underlying assets and liabilities of the scheme. The amounts charged to the profit and loss account are therefore the contributions payable during the period.

The above schemes are now closed and eligible employees are offered the opportunity to join the group's defined contribution scheme. For this scheme, the amounts charged to the profit and loss account are the contributions payable during the period.

2. Turnover

All turnover arose within the United Kingdom and is wholly attributable to the principal activities of the Company.

3. Result on ordinary activities before taxation

The result is stated after charging/(crediting):

	2015 £000	2014 £000
Depreciation of tangible assets:		
- owned by the company	1,976	1,970
Employment costs capitalised	(355)	(294)
	<u>1,621</u>	<u>1,676</u>

Auditors' remuneration has been borne by Arcadia Group Limited, the parent undertaking.

None of the directors received remuneration in respect of his or her services to the Company during the year (2014 - £nil).

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

4. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	3,047	2,521
Social security costs	367	297
Other pension costs	95	71
	<u>3,509</u>	<u>2,889</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Internet design and production	<u>45</u>	<u>26</u>

5. Tax on result on ordinary activities

	2015 £000	2014 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax (credit)/charge on result for the year	(23)	91
Deferred tax		
Origination and reversal of timing differences	23	(91)
Adjustment in respect of previous periods	8	(4)
Effect of changes in tax rate	(1)	9
Total deferred tax (see note 9)	<u>30</u>	<u>(86)</u>
Tax on result on ordinary activities	<u>7</u>	<u>5</u>

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

5. Tax on result on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.6% (2014 - 22.2%). The differences are explained below:

	2015 £000	2014 £000
Result on ordinary activities before taxation	-	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.6% (2014 - 22.2%)	-	-
Effects of: (Capital allowances for year in excess of depreciation)/depreciation in excess of capital allowances	(23)	91
Current tax (credit)/charge for the year (see note above)	(23)	91

Factors that may affect future tax charges

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements. The overall effect of that change, if it had applied to the deferred tax balance at the balance sheet date, would be to reduce the deferred tax liability by £51,000 and reduce the tax expense for the year by £51,000.

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

6. Tangible assets

	Computer Equipment £000
Cost	
At 31 August 2014	15,271
Additions	3,240
At 29 August 2015	<u>18,511</u>
Accumulated depreciation	
At 31 August 2014	11,561
Charge for the year	1,976
At 29 August 2015	<u>13,537</u>
Net book value	
At 29 August 2015	<u><u>4,974</u></u>
At 30 August 2014	<u><u>3,710</u></u>

7. Debtors

	2015 £000	2014 £000
Taxation and social security	729	657
Deferred tax asset (see note 9)	345	375
Prepayments and accrued income	217	1,676
	<u>1,291</u>	<u>2,708</u>

8. Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Bank loans and overdrafts	2,638	-
Trade creditors	2,360	1,067
Amounts owed to group undertakings	127	5,879
Other taxation and social security	100	-
Other creditors	23	12
Accruals and deferred income	4,588	4,129
	<u>9,836</u>	<u>11,087</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

9. Deferred tax asset

	2015 £000	2014 £000
At 31 August 2014	375	289
Movement during the year	(30)	86
At 29 August 2015	<u>345</u>	<u>375</u>

The deferred tax asset is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	<u>345</u>	<u>375</u>

The deferred tax balances above are measured on a non-discounted basis at the tax rates that are expected to apply in the periods when timing differences reverse, based on tax rates at the balance sheet date. There are no unrecognised deferred tax balances.

10. Called up share capital

	2015 £000	2014 £000
Allotted, called up and fully paid		
200,000 (2014: 200,000) "A" ordinary shares of £1 each	200	200
200,000 (2014: 200,000) "B" ordinary shares of £1 each	200	200
	<u>400</u>	<u>400</u>

The "A" and "B" ordinary shares entitle the respective holders to 50% of the rights to dividends and distributions of income and capital, together with 50% of the voting rights and Board representation.

Profit and loss account

	£000
At 31 August 2014	(3,964)
Loss for the financial year	(7)
At 29 August 2015	<u>(3,971)</u>

Zoom.Co.UK Limited

Notes to the financial statements for the year ended 29 August 2015

11. Reconciliation of movements in shareholders' deficit

	2015 £000	2014 £000
Opening shareholders' deficit	(3,564)	(3,559)
Loss for the financial year	(7)	(5)
Closing shareholders' deficit	<u>(3,571)</u>	<u>(3,564)</u>

12. Pension commitments

The Company's eligible employees participate in two defined benefit schemes operated by Arcadia Group Limited to which the Company contributes in order to provide pension and other benefits expressed in terms of a percentage of pensionable salary. These schemes are financed through separate trustee administered funds. Contributions to the schemes are based on actuarial advice following the most recent valuations of the funds.

Although these pension schemes are defined benefit in nature the Company accounts for its contributions as though they were defined contribution schemes as the Company is unable to identify its share of the underlying assets and liabilities of the schemes.

During the year, the Company contributed £nil (2014 - £nil) to the above schemes.

An actuarial valuation of the defined benefit schemes referred to above, and carried out as at 29 August 2015 for the purposes of FRS 17, identified that the present value of their liabilities exceeded the market value of the schemes' assets by £189,330,000 (2014: £123,838,000). The detailed disclosures required by FRS 17 are provided for the Group as a whole in the consolidated financial statements of the Company's parent undertaking, Arcadia Group Limited.

The defined benefit schemes above closed to future accrual during the prior year and eligible employees were offered the opportunity to join the Group's defined contribution scheme, to which the Company contributed £95,000 (2014 - £71,000).

13. Related party transactions

The Company has taken advantage of the exemption under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Taveta Investments Limited group or investees of Taveta Investments Limited.

14. Ultimate parent undertaking and controlling party

The Company's ultimate parent company is Taveta Investments Limited ('Taveta'), a company incorporated in England. The largest group to consolidate these financial statements is Taveta Investments Limited. The smallest group is Arcadia Group Limited. Copies of both Arcadia Group Limited and Taveta consolidated financial statements can be obtained by writing to the Secretary at Colegrave House, 70 Berners Street, London, W1T 3NL.

The Company's ultimate controlling party is Lady Cristina Green.