

Zoono Limited



Financial Report For the Year Ended 31 March 2014

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COMPANY DIRECTORY

Nature of Business	Development and wholesale distribution of antimicrobial products
Registered Office	9 Redmond Street Ponsonby, Auckland
Directors	Paul R Hyslop
Auditor	Hall Chadwick Level 40, 2 Park Street Sydney NSW 2000 Australia
Bankers	ANZ Bank New Zealand Limited
Solicitors	Chapman Tripp
Business Location	281 Victoria Avenue Remuera, Auckland
Shareholder	Zoono Group Limited (100%) 1,000 ordinary shares

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
Revenue		703,941	634,419
Cost of sales		(111,321)	(206,117)
Gross profit		592,620	428,302
Other revenue		32,378	4,452
Administration expenses		(51,543)	(33,110)
Depreciation expenses		(369)	(12,109)
Finance costs		(865)	(2,967)
Occupancy expenses		(4,380)	(6,827)
Selling and distribution expenses		(65,443)	(32,520)
Marketing expenses		(67,385)	(190,341)
Other expenses		(14,381)	(85,867)
Profit before income tax		420,632	69,013
Income tax expense	4	-	-
Profit for the year		420,632	69,013
Other comprehensive income		-	-
Total comprehensive income for the year		420,632	69,013

The accompanying notes form part of these financial statements.


Zoono Limited Financial Report 31 March 2014

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	30,491	9,313
Trade and other receivables	6	471,886	206,375
Inventories	7	75,000	6,496
TOTAL CURRENT ASSETS		577,377	222,184
NON-CURRENT ASSETS			
Plant and equipment	8	1,282	700
TOTAL NON-CURRENT ASSETS		1,282	700
TOTAL ASSETS		578,659	222,884
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,262,079	1,326,936
TOTAL CURRENT LIABILITIES		1,262,079	1,326,936
NON-CURRENT LIABILITIES			
		-	-
NET ASSETS		(683,420)	(1,104,052)
EQUITY			
Issued capital	10	1	1
Accumulated losses		(683,421)	(1,104,053)
TOTAL EQUITY		(683,420)	(1,104,052)

The accompanying notes form part of these financial statements.

For and on behalf of the Board



 Paul R Hyslop
 Director
 2 September 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 1: GENERAL INFORMATION

Zoono Limited ("the Company") is engaged in development and wholesale distribution of antimicrobial products. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 9 Redmond Street, Ponsonby, Auckland, New Zealand.

The financial statements were authorised for issue on 2 September 2016 by the directors of the Company.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Entity Reporting

The financial statements presented here are Zoono Limited as a separate legal entity. The Company is designated as a profit-oriented entity for financial reporting purposes.

Statement of Compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate to profit-oriented entities and International Financial Reporting Standards. The financial statements have been prepared in accordance with the requirements of the Companies Act 1993 and Financial Reporting Act 1993.

Differential Reporting

The Company is a qualifying entity within the Framework for Differential Reporting. The Company qualifies on the basis that it is not publicly accountable, and there is no separation between the owners and governing body of Zoono Limited. The Company has taken advantage of all differential reporting exemptions available to it.

Historical Cost Convention

These financial statements have been prepared under the historical cost convention except for assets and liabilities that have been measured at fair value.

Going Concern

This report has been prepared on the going concern basis, which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Notwithstanding the Company incurred a net profit after tax for the year ended 31 March 2014 of \$420,632, the Company had a deficiency of net assets of \$683,420 on that date.

The Company's ability to continue as a going concern is dependent on continued reliance on the financial support from its current shareholder.

In the event the financial support did not eventuate, the Company may not realise its assets and extinguish its liabilities in the normal course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the Company not continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. **Income Tax**

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or are recognised directly in equity or in other comprehensive income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

No deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in, first-out basis.

c. **Plant and Equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	13 – 60%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. **Financial Instruments**

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. **Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f. **Employee Benefits**

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

g. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

h. **Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement by the company in those goods.

All revenue is stated net of the amount of goods and services tax.

i. **Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

j. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

k. **Foreign Currency Transactions and Balances**

Functional and presentation currency

The financial statements are presented in New Zealand dollars, which is the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

l. **Goods and Services Tax (GST)**

The Statement of Profit or Loss and Other Comprehensive Income has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated exclusive of GST, with the exception of receivables and payables, which include GST.

m. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Zoono Limited Financial Report 31 March 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 3: PROFIT FOR THE YEAR

	2014	2013
	\$	\$
a. Revenue		
Revenue from sale of goods	703,941	634,419
b. Other income		
Rental income	11,750	-
Interest income	20,139	-
Net foreign exchange gain	-	3,977
Others	489	475
	32,378	4,452
c. Depreciation expenses		
Depreciation of plant and equipment	(369)	(12,109)
d. Finance costs		
Interest on borrowings	(865)	(2,967)
e. Other expenses		
Net foreign exchange losses	14,381	-
	14,381	-

NOTE 4: INCOME TAX EXPENSE

	2014	2013
	\$	\$
a. The components of tax (expense) income comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
b. Reconciliation of prima facie income tax rate		
Profit from operations	420,632	69,013
Income tax expense calculated at 28% (2013: 28%):	117,777	19,324
Tax effect of:		
– other non-allowable items	-	-
– tax losses not brought to account	-	(19,324)
– recoupment of prior year tax losses not previously brought to account	(117,777)	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 5: CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash on hand	30,491	9,313
	<u>30,491</u>	<u>9,313</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
CURRENT		
Trade receivables	-	206,352
Provision for impairment	-	-
	<u>-</u>	<u>-</u>
Other receivables	35,371	23
Loans to related parties	436,515	-
	<u>471,886</u>	<u>23</u>
	<u>471,886</u>	<u>206,375</u>

Trade and other receivables are stated at cost less any impairment losses. The carrying amounts of the Company's receivables are reviewed at each balance date to determine whether there is any indication of impairment. If any indication exists, the receivables' recoverable amount is estimated.

At balance date, there were no past due but not impaired trade and other receivables (2013: \$nil)

NOTE 7: INVENTORIES

	2014	2013
	\$	\$
CURRENT		
Finished goods at cost	75,000	6,496
	<u>75,000</u>	<u>6,496</u>

Zoono Limited Financial Report 31 March 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 8: PLANT AND EQUIPMENT

	2014	2013
	\$	\$
Plant and equipment:		
Plant and equipment at cost	15,750	700
Accumulated depreciation	(14,468)	-
	1,282	700
Total plant and equipment	1,282	700

NOTE 9: TRADE AND OTHER PAYABLES

	Note	2014	2013
		\$	\$
CURRENT			
Trade payables		93,933	426,901
Sundry payables and accrued expenses		-	3,978
Income in advance		-	-
Loan from an unrelated party	a	150,000	-
Loan from a related party	b	-	272,958
Loan from parent entity	b	1,018,146	623,099
		1,262,079	1,326,936

- a. Loan from an unrelated party is unsecured, bears interest of 12% per annum and repayable on 19 February 2017.
- b. Loan from a related party and parent entity are unsecured, bear no interest and repayable on demand.

NOTE 10: ISSUED CAPITAL

	2014	2013
	\$	\$
1,000 (2014: 1,000) fully paid ordinary shares	1	1

Zoono Limited Financial Report 31 March 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

NOTE 11: RELATED PARTY TRANSACTIONS

	Note	2014 \$	2013 \$
(i) <i>Trade and other receivables</i>			
Loans to/(from) director:			
– beginning of the year		(272,958)	-
– loans advanced to/ (from)		436,515	(272,958)
– loan repayment (received)/ paid		272,958	-
– end of the year	6	436,515	(272,958)
Loan to a director and a related entity are unsecured, bears interest of 5.77% (2013: nil) per annum and repayable on demand.			
(ii) <i>Trade and other payables</i>			
<i>Loans from a entity associated with the director:</i>			
– beginning of the year		-	-
– loans received		150,000	-
– end of the year	8	150,000	-
Ultimate parent:			
Zoono Group Limited has made loans to the Company. These loans are interest free, unsecured and at call	8	1,018,146	623,099

NOTE 12: REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Company.

	2014 \$	2013 \$
<i>Audit and other assurance services</i>		
Audit of financial reports	10,000	-
Total remuneration	10,000	-

NOTE 13: CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 March 2014 and 31 March 2013.

NOTE 14: EVENTS AFTER THE REPORTING PERIOD

The director is not aware of any significant events since the end of the reporting period.

DIRECTORS' RESPONSIBILITY STATEMENT

The Director is responsible for ensuring that the financial statements present fairly the financial position of the Company as at 31 March 2014 and its financial performance for the year ended 31 March 2014.

The Director consider that the financial statements of the Company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgement and estimates, and that all relevant financial reporting standards have been followed. The financial statements have been prepared to comply fully with the New Zealand equivalents to International Financial Reporting Standards. In complying with the New Zealand equivalents to the International Financial Reporting Standards, these financial statements also comply with International Financial Reporting Standards.

The Directors believe that proper accounting records have been kept which enables, with reasonable accuracy, the determination of financial position of the Company and facilitates compliance of the financial statements with the Financial Reporting Act 1993.

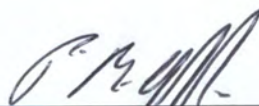
The Director has taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

With the unanimous agreement of all shareholders, the Company has taken advantage of the reporting concessions available to it under Section 211(3) of the Companies Act 1993.

The Board of Directors of the Company authorised these financial statements presented on pages 3 to 14 for issue on 2 September 2016.

For and on behalf of the Board

Director



Paul R Hyslop

Dated: 2 September 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
ZOONO LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

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Sydney NSW 2001

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Report on the Financial Statements

We have audited the financial statements of Zoono Limited on pages 3 to 14, which comprises the statement of financial position as at 31 March 2014, the statement of profit or loss and other comprehensive income for the year then ended, a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in Zoono Limited.

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
ZOONO LIMITED**

Basis for Qualified Opinion

We were not appointed as auditors of the company until 17 June 2016 and accordingly,

- we did not observe the counting of physical inventories at the beginning and end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2013 and 2014, which are stated in the statements of financial position at \$6,796 and \$75,000, respectively. As a result of this matter, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded inventories, and the elements making up the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows.
- we were unable to obtain sufficient appropriate audit evidence in relation to opening balances as at 31 March 2013. As a result of this matter, we were unable to determine whether any adjustments might have been necessary in respect of the comparative period.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs above, the financial statements on pages 3 to 14:

- i) comply with generally accepted accounting practice in New Zealand;
- ii) comply with International Financial Reporting Standards; and
- iii) give a true and fair view of the financial position of Zoono Limited as at 31 March 2014 and its financial performance for the year then ended.

Emphasis of Matter

We draw attention to Note 2 in the financial report which indicates that the company had a deficiency of net assets of \$683,420 as at 31 March 2014. These conditions, along with other matters as set forth in Note 2 indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
ZOONO LIMITED**

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993, we report that:

- i) We have obtained all the information and explanations that we have required; and
- ii) In our opinion proper accounting records have been kept by Zoono Limited as far as appears from an examination of those records.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 2 September 2016