

TTT MONEYCORP LIMITED

ANNUAL REPORT
& CONSOLIDATED
FINANCIAL
STATEMENTS

FOR THE YEAR ENDED
31 AUGUST 2009

COMPANY REGISTRATION NUMBER
00738837

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COMPANIES HOUSE

AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Hay's Galleria
1 Hay's lane
London SE1 2RD

BANKERS

The Royal Bank of Scotland plc
Financial Institutions Group
Corporate Banking London
9th Floor
280 Bishopsgate
London EC2M 4RB

HSBC Bank plc
West End Corporate Banking Centre
70 Pall Mall
London SW1Y 5EZ

Barclays Bank plc
Financial Services Team
Business Banking
Level 11
1 Churchill Place
London E4 5HP

SOLICITORS

Berwin Leighton Paisner LLP
Adelaide House
London Bridge
London EC4R 9HA

TRADING NAMES

Moneycorp
TTT Foreign Exchange Corporation
The Money Corporation
Moneycorp Markets
CASHDIRECT
minimoney

REGISTERED OFFICE

2 Sloane Street
Knightsbridge
London SW1X 9LA

HEAD OFFICE

2 Sloane Street
Knightsbridge
London SW1X 9LA

COMPANY REGISTRATION NUMBER

00738837

DATE OF INCORPORATION

25 October 1962

DIRECTORS

B Shlewet
R W Birchall (appointed 15 March 2010)
K N Hatton (resigned 31 March 2010)
N Medici
D Postings (appointed 14 May 2010)
M P Weinberg (resigned 15 March 2010)
J C W Kent
P Lever
I McGillivray

COMPANY SECRETARY

M P Weinberg



TTT Moneycorp Limited has been certified to ISO 9000 Quality Assurance since 1996

Moneycorp is a trading name of TTT Moneycorp Limited Registered in England No 738837 Incorporated 1962

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Directors' report

FOR THE YEAR ENDED 31 AUGUST 2009

The Directors present their report and the audited consolidated financial statements of TTT Moneycorp Limited ("the Company") and its subsidiaries ("the Group") for the year ended 31 August 2009

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries are the provision of a broad range of foreign exchange and payment services to businesses and individuals. Both the Company and its subsidiary, Moneycorp Markets Limited, are authorised and regulated by the Financial Services Authority (FSA)

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Whilst the major global economies had already started to experience deteriorating economic conditions at the beginning of the year, it was several months before the effect on the UK economy from the plight of the banking sector was truly experienced. Despite the scale of the downturn that followed, a 8.8% increase in gross profit to £59.7m was achieved. However, administrative expenses increased 10%, in part representing investment in new products, services and infrastructure for the longer term. Operating profits were stable at £6.6m. The Group's cost structure at the year-end remains appropriate for the year ahead.

Our London bureaux de change benefited from an influx of overseas visitors taking advantage of the weakness of Sterling. Our airport operations experienced lower demand, reflecting falling numbers of outbound passengers, but secured an increased presence, opening a branch within the new arrivals extension at Stansted Airport in December and Southampton Airport added to the portfolio in January. In addition, twelve currency ATMs were installed across our airport locations.

Our wholesale division experienced lower demand from its traditional client base, reflecting the reduction in overseas travel from the UK. Lower demand was also seen from international markets, reflecting the global nature of the economic slowdown.

Our commercial foreign exchange division benefited from investment in online services and marketing, areas which will continue to see further growth and investment, which resulted in increased demand from corporate clients. Authorisation from the Financial Services Authority (FSA) to undertake designated investment business, including currency options, was granted, with the first set of regulated products now launched. Demand from private clients acquiring assets overseas was impacted by the downturn in global property and credit markets. This resulted in the closure of our smaller overseas offices.

With effect from 1 November 2009, TTT Moneycorp Limited was approved by the Financial Services Authority (FSA) as an Authorised Payments Institution under the Payment Services Regulations (PSR), which came into effect on that date. In February 2010, the FSA approved an extension of the company's permissions to allow the operation of payment accounts. The Company has also received approval to operate these payment services across all relevant European jurisdictions.

David Postings joined the company in May 2010 as Chief Executive. He has over 30 years of experience in retail and commercial financial services, change management and IT. He undertook a wide variety of roles with Barclays Bank over 26 years, including Managing Director of Barclays Sales Financing and Managing Director of Enable (the Group's IT and operations shared service business). David spent three years as Managing Director of Lloyds TSB Commercial (formerly Business Banking) before joining Cattles plc as its Chief Executive.

Subsequent to the year end, we undertook a strategic review of our leveraged, multi-product trading service, which operates through Moneycorp Markets Limited, a wholly owned subsidiary. This review was completed in March 2010 and we took the decision to close this business, it has not developed as planned and we decided not to continue to commit significant time and resources to this operation, at a time when we have more lucrative opportunities across the Group. The business closure completed in July 2010.

Directors' report (continued)
FOR THE YEAR ENDED 31 AUGUST 2009

Structural changes made during the year, coupled with new products and services launched during the year and others now in development, leave the Group better placed to prosper in the current challenging economic climate

RISKS AND UNCERTAINTIES

Euro

The replacement of Sterling by the Euro as the domestic currency of the UK would have a significant impact on the earnings of the Group. The Directors consider this is unlikely in the short to medium term.

Currency risk

The Group maintains bank balances in a number of currencies. It invoices and receives payment in these currencies. The Group is therefore exposed to transaction risk.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Physical risk

Physical risk arises from the Group's exposure to theft, misappropriation or damage to its physical assets. The Group maintains appropriate physical security measures and operates suitable policies and procedures to mitigate this risk. The Group also maintains appropriate levels of insurance to limit its exposure.

Credit risk

Credit risk arises from the possibility that the Group will incur losses from its customers' failure to meet their obligations. The Group does not generally provide credit to its customers but credit exposures can arise, normally for a short period of time, as the Group depends on its customers to pay for monies and services provided and to perform on foreign exchange contracts. All material credit exposures require approval by the Group credit committee comprising individuals independent of business revenue generation. Credit exposures are monitored regularly against approved risk limits, with client margins called for where appropriate.

Operational risk

Operational risk includes the risk arising from within the organisation from inadequate or failed internal processes, inadequately designed or maintained systems, inappropriate staffing levels or inadequately skilled or managed people. Operational risk exposures are identified, managed and controlled by management. Internal controls include the organisational structure and delegation of authority within the Group. Systems are designed to manage and, as far as possible, eliminate the risk of failure to achieve business objectives and can provide reasonable, but not absolute, assurance against material misstatement or loss.

Regulation and compliance risk

The Group has a dedicated central team to set policy and ensure compliance with Financial Services Authority (FSA) regulations, Anti-Money Laundering (AML) regulations and other regulatory requirements throughout its business operations.

RESULTS

The consolidated profit and loss account for the year is set out on page 12.

DIVIDENDS

The Directors have approved and paid an interim and final dividend totalling £3,550k (2008: £5,310k). Further details are shown in note 9 to the financial statements.

Directors' report (continued)
FOR THE YEAR ENDED 31 AUGUST 2009

DIRECTORS

The Directors listed below have served the Company during the year and up to the date of this report

B Shlewet

R W Birchall (appointed 15 March 2010)

K N Hatton (resigned 31 March 2010)

N Medici

D Postings (appointed 14 May 2010)

M P Weinberg (resigned 15 March 2010)

J C W Kent

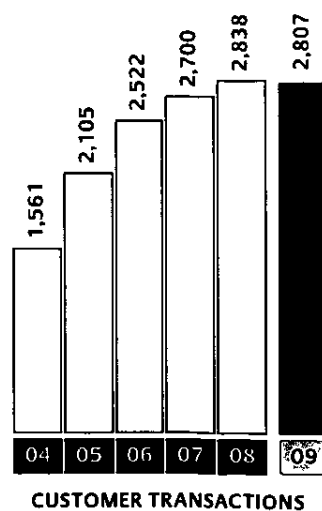
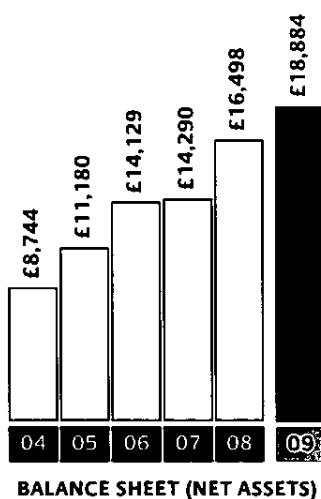
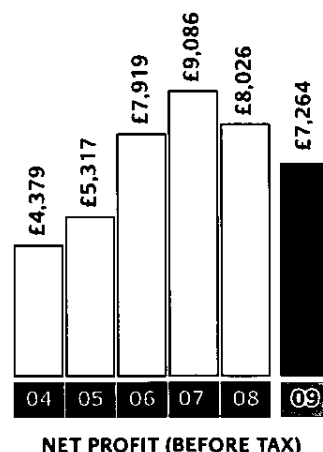
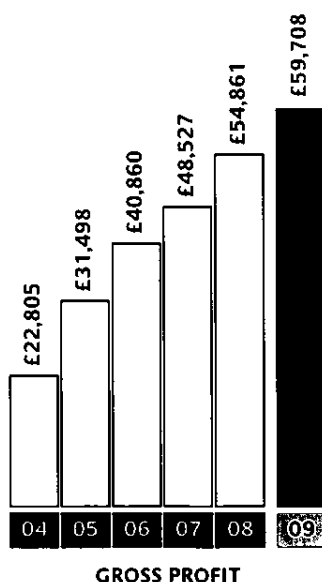
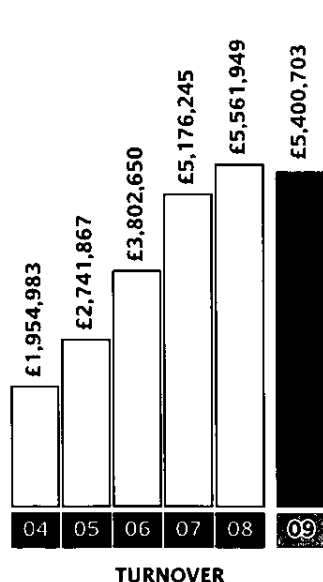
P Lever

I McGillivray

KEY PERFORMANCE INDICATORS

The key performance indicators used by the Directors to assess the performance of the Group against their stated objectives are as follows

FIGURES ARE IN THOUSANDS (000s)



Directors' report (continued)
FOR THE YEAR ENDED 31 AUGUST 2009

CHARITIES AND DONATIONS

During the year, the Group made donations in the UK for charitable purposes amounting to £4k (2008: £28k) £3k was paid to national charities with the balance of £1k paid to local charities. No donations were made for political purposes (2008: £Nil)

EMPLOYMENT OF DISABLED PERSONS

It is the policy of the Group to give full and fair consideration to applications for employment made by disabled persons, with regard to their particular aptitudes and abilities. Wherever possible, arrangements are made for the continued employment of persons who have become disabled during service and for the appropriate training, career development and promotion of disabled persons.

INFORMATION TO EMPLOYEES

Appropriate action has been taken to provide Group employees with information on matters of concern to them, including consulting with employees or their representatives, encouraging their involvement in the Group's performance and achieving an awareness on the part of employees of the financial and economic factors affecting the Group's performance.

CORPORATE GOVERNANCE

Whilst the Group is not required to comply with Combined Code 2008, the Directors intend, so far as possible and to the extent appropriate given the Group's size and the constitution of the Board, to comply with the Combined Code on Corporate Governance.

The Board has an established Audit Committee, chaired by Paul Lever, which comprises Non-Executive Directors Ian McGillivray and John Kent, with formally delegated responsibilities. Bassam Shlewet was appointed to the Audit Committee on 14 May 2010. The Audit Committee meets regularly and is responsible for ensuring that the financial performance of the Group is properly monitored and reported. It is also responsible for appointing the auditors, ensuring the auditors' independence is not compromised and reviewing the reports on the Group from the auditors in relation to the accounts and internal control systems.

A Remuneration Committee consisting of the Chairman, Bassam Shlewet and Non-Executive Directors, Ian McGillivray, John Kent and Paul Lever meets to consider and approve any major change in the structure of remuneration packages of senior employees and their objectives, together with performance against these and the awarding of any related bonuses.

INTERNAL CONTROL

The Directors' review extends to cover not just internal financial controls but all controls including operations, compliance and risk management.

The Directors are responsible for the system of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately. The key procedures that have been established and which are designed to provide effective internal control are as follows:

Management structure - the board meets regularly and minutes of its meetings are maintained.

Financial reporting - budgets are prepared and reviewed by executive management. Any material variances to actual results are investigated and explained.

Investment appraisal - the Group has a clearly defined framework for capital expenditure requiring approval by key personnel and the Board where appropriate.

Directors' report (continued)

FOR THE YEAR ENDED 31 AUGUST 2009

Anti-money laundering - the Company and its subsidiary, Moneycorp Markets Limited, are authorised and regulated by the Financial Services Authority for the conduct of designated investment business, selling of travel insurance and for the provision of payment services and the Company is a licensed Money Services Business (MSB). It treats anti-money laundering and fraud prevention as a major priority. The Board formally reviews anti-money laundering activity and trends every month.

Internal Audit - the Internal Audit function reviews the effectiveness of systems and procedures for combating fraud and controlling risk throughout the business. Findings and recommendations are reviewed and approved by senior management and are made available to Board members, the Audit Committee and the external auditors.

The Board has reviewed the effectiveness of the system of internal controls and it has considered the major business risks and the control environment. There is an ongoing programme of systems development and any risks identified are incorporated into the programme.

DISCLOSURE OF INFORMATION TO AUDITORS

In accordance with Section 418, each of the Directors in office at the date of approval of this report has confirmed that

- (a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual 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 elected to prepare the Group and the Company 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 Group and the Company and of the profit or loss of the Group 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 United Kingdom 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 Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

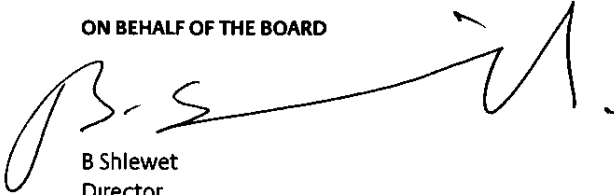
The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' report (continued)
FOR THE YEAR ENDED 31 AUGUST 2009

AUDITORS

A resolution to reappoint PricewaterhouseCoopers LLP will be proposed at the annual general meeting

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to be 'B. Shlewet', with a long horizontal stroke extending to the right.

B Shlewet
Director
27 July 2010

**Independent Auditors' report
to the members of TTT Moneycorp Limited**

We have audited the Group and Parent Company financial statements of TTT Moneycorp Limited for the year ended 31 August 2009 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. 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).

Respective responsibilities of Directors and Auditors

As explained more fully in the statement of Directors' Responsibilities set out on page 8, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and 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, 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.

Scope of the audit of the financial statements

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 Group's and 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 August 2009 and of the Group's profit and cash flows 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.

Opinion on other matter prescribed by the Companies Act 2006

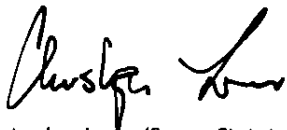
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' report (continued)
to the members of TTT Moneycorp Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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



Christopher Jones (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

27 July 2010

Consolidated profit and loss account
FOR THE YEAR ENDED 31 AUGUST 2009

	Notes	2009 £000	2008 £000 restated
TURNOVER – gross value of currencies and other sales	2	5,400,703	5,561,949
Cost of sales – gross value of currencies and other purchases		(5,340,995)	(5,507,088)
GROSS PROFIT		59,708	54,861
Administrative expenses		(53,121)	(48,277)
OPERATING PROFIT	3	6,587	6,584
Interest receivable and similar income	6	726	1,533
Interest payable and similar charges	7	(49)	(91)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,264	8,026
Taxation on profit on ordinary activities	8	(1,315)	(508)
PROFIT FOR THE FINANCIAL YEAR	19	5,949	7,518

All the operations in both years were continuing

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

Consolidated statement of total recognised gains and losses
for the year ended 31 August 2009

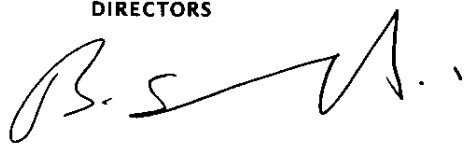
		2009 £000	2008 £000 restated
PROFIT FOR THE FINANCIAL YEAR		5,949	7,518
Exchange adjustment taken to reserves (translation of foreign investments)		(13)	-
TOTAL RECOGNISED GAINS FOR THE YEAR		5,936	7,518
Impact of prior year restatement	1(a)	(1,763)	-
TOTAL RECOGNISED GAINS AND LOSSES SINCE LAST ANNUAL REPORT		4,173	7,518

Consolidated balance sheet
AT 31 AUGUST 2009

	Notes	2009 £000	2009 £000	2008 £000 restated	2008 £000 restated
FIXED ASSETS					
Tangible assets	10		4,051		4,353
CURRENT ASSETS					
Stocks (non-cash)	13	293		175	
Debtors	14	133,807		145,526	
Cash at bank and in hand	15	59,930		51,441	
		194,030		197,142	
CREDITORS					
Amounts falling due within one year	16	(179,142)		(184,961)	
NET CURRENT ASSETS			14,888		12,181
TOTAL ASSETS LESS CURRENT LIABILITIES			18,939		16,534
CREDITORS					
Amounts falling due after more than one year	17		(55)		(36)
NET ASSETS			18,884		16,498
Called up share capital	18		350		350
Profit and loss account	19		18,534		16,148
SHAREHOLDERS' FUNDS	20		18,884		16,498

Approved by the Board on 27 July 2010 and signed on its behalf by

DIRECTORS



B Shlewet



R W Birchall

Company balance sheet
AT 31 AUGUST 2009

	Notes	2009 £000	2009 £000	2008 £000 restated	2008 £000 restated
FIXED ASSETS					
Tangible assets	11		3,913		4,223
Investments	12		1,294		2,119
			5,207		6,342
CURRENT ASSETS					
Stocks (non-cash)	13	293		175	
Debtors	14	132,589		145,934	
Cash at bank and in hand	15	54,460		48,919	
		187,342		195,028	
CREDITORS					
Amounts falling due within one year	16	(173,134)		(182,676)	
NET CURRENT ASSETS			14,208		12,352
TOTAL ASSETS LESS CURRENT LIABILITIES			19,415		18,694
CREDITORS					
Amounts falling due after one year	17		(55)		(36)
NET ASSETS			19,360		18,658
CAPITAL AND RESERVES					
Called up share capital	18		350		350
Profit and loss account	19		19,010		18,308
SHAREHOLDERS' FUNDS	20		19,360		18,658

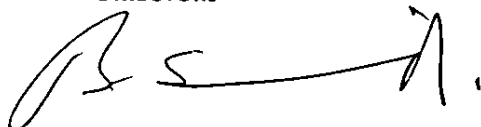
No profit and loss account is presented for the Company as permitted by Section 408 of the Companies Act 2006

The profit after tax for the year ended 31 August 2009 for the Company was £4,265k (2008 £8,657k)

The notes on pages 16 to 27 form part of the financial statements

Approved by the Board on 27 July 2010 and signed on its behalf by

DIRECTORS



B Shlewet



R W Birchall

Consolidated cash flow statement
FOR THE YEAR ENDED 31 AUGUST 2009

	2009 £000	2009 £000	2008 £000 restated	2008 £000 restated
NET CASH INFLOW FROM OPERATING ACTIVITIES		13,720		3,844
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	726		1,533	
Interest paid	(49)		(91)	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		677		1,442
TAXATION				
UK corporation tax paid		(1,514)		(1,355)
CAPITAL EXPENDITURE				
Tangible fixed assets acquired	(848)		(1,595)	
Proceeds on disposal of tangible fixed assets	4		23	
		(844)		(1,572)
NET CASH INFLOW BEFORE DIVIDENDS AND FINANCING ACTIVITIES		12,039		2,359
EQUITY DIVIDENDS PAID		(3,550)		(5,310)
INCREASE/(DECREASE) IN CASH BALANCES (see below)		8,489		(2,951)
Opening cash balances		51,441		54,392
Closing cash balances		59,930		51,441
INCREASE/(DECREASE) IN CASH BALANCES		8,489		(2,951)

NOTE TO THE CASH FLOW

RECONCILIATION OF OPERATING PROFIT TO CASH INFLOW FROM OPERATIONS

Operating profit		6,587		6,584
Depreciation	1,139		972	
Loss on sale of fixed assets	7		-	
Increase in stocks (non cash)	(118)		(40)	
Decrease in debtors	11,719		52,824	
(Decrease) in creditors	(5,614)		(56,496)	
		7,133		(2,740)
NET CASH INFLOW FROM OPERATING ACTIVITIES		13,720		3,844

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

1 PRINCIPAL ACCOUNTING POLICIES

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

(a) BASIS OF PREPARATION AND PRIOR YEAR ADJUSTMENT

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings prepared to 31 August 2009. The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its own profit and loss account.

During the year the Directors identified a pre-tax accounting error amounting to £2,490k (post tax £1,763k) as at 31 August 2008 which resulted in creditors being understated and cash being overstated by £1,687k and £803k respectively. These errors have been rectified by way of a prior year adjustment.

(b) BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of TTT Moneycorp Limited and its subsidiary undertakings for the year ended 31 August 2009. The profits and losses of subsidiaries are consolidated from the date of acquisition to the date of disposal. All intra-group balances and transactions, including unrealised profits arising from intra-group transactions, are eliminated fully on consolidation.

(c) TANGIBLE FIXED ASSETS

Short leasehold properties are stated at cost or valuation less accumulated depreciation. The cost of other tangible fixed assets is their purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of fixed assets over the expected useful economic lives of the assets concerned. The principal annual rates and bases used for this purpose are:

Motor vehicles	- 25% straight line
Fixtures and fittings	- 15% straight line
Computer equipment	- 25% straight line

Leasehold properties are amortised over the period of the leases and improvements to leasehold properties over the expected life of those improvements, or period of leases, whichever is shorter.

(d) STOCKS

Stocks include maps, phonecards, gold coins, mobile top-up vouchers, which are stated at the lower of cost and net realisable value. Cash held for trading is included as part of cash at bank and in hand. Stocks of foreign exchange are valued at the closing market price.

(e) INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed when there has been an indication of potential impairment.

(f) INVESTMENTS

Investment holdings are valued at the lower of cost and net realisable value as at the balance sheet date.

(g) FOREIGN CURRENCIES

Trading transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling when the transaction took place. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in arriving at the operating profit. The gross assets and liabilities relating to foreign currency exchange contracts are reported in the balance sheet under debtors and creditors respectively.

The accounts of overseas subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the re-translation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account.

(h) TURNOVER AND COST OF SALES

Turnover, which excludes value added tax, represents the gross value of currencies traded. The key components of the Group's revenue are described below.

Retail turnover comprises the value of currencies traded as a result of the Group's operations of bureaux de change. It also includes sale of travellers' cheques and transactions involving money transfers, bankers' drafts, credit cards and encashment of personal cheques. Revenue is recognised when the transaction is made.

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

The wholesale division provides money services by supplying foreign currency notes to individuals and businesses. Revenue is recognised on the trade date of the currency order.

Revenue from the commercial foreign exchange division consists of the value of currencies sold in spot and forward currency deals. Revenue is recognised at trade date.

For online trading, turnover comprises commissions earned on online trading services, which are recognised when the transaction is made. Agency commissions and fees received on other items are recognised in the period when the transaction is made.

Purchases relating to the above transactions are treated as cost of sales.

(l) DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable results and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

(j) OPERATING LEASES

Costs in respect of operating leases are charged on a straight-line basis in arriving at operating profit.

(k) PENSION SCHEME

The Group operates a defined contribution pension scheme for certain employees. The cost to the Group is charged to the profit and loss account as incurred.

(l) TRADE DEBTORS

Trade debtors are carried at original invoice value, less provision made for impairment. A provision for impairment of trade debtors is established when there is objective evidence that amounts due will not be able to be collected according to the original terms. The amount of the provision is recognised in the profit and loss account by reference to the expected future cash flows. When a trade debtor is deemed uncollectable, it is written off against the provision account for trade debtors.

(m) TRADE CREDITORS

Trade creditors are recognised at fair value.

2 TURNOVER - Gross value of currencies and other sales

Turnover consists of sales made in the United Kingdom and overseas. Turnover by business segment has not been disclosed, as in the opinion of the Directors, such information would be seriously prejudicial to the interests of the Group.

3 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	Group	
	2009	2008
	£000	£000
Fees payable to company auditor of the Company and consolidated accounts		
Fees payable for the audit of the Company and consolidated accounts	60	64
The audit of the Company's subsidiaries pursuant to legislation	3	6
Fees payable for other services (tax & consultancy)	10	45
Operating lease rentals	16,249	14,712
Depreciation of tangible fixed assets (note 10)	1,139	972
Loss/(gain) on disposal of tangible fixed assets	7	-
Loss on foreign currency translation	-	14

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

4 DIRECTORS' EMOLUMENTS

	2009 £000	Group 2008 £000
Aggregate emoluments (including benefits) for management services and services as Directors	761	1,026
Pension contributions	52	50
	813	1,076

Four Directors accrued benefits under money purchase schemes (2008 Four)

Amounts paid in respect of the highest paid Director are as follows

Aggregate emoluments (including benefits)	239	352
Company contributions to a self-administered pension scheme	34	34
	273	386

There are no outstanding pension contributions at 31 August 2009 (2008 £Nil)

5 EMPLOYEE INFORMATION

	Group		Company	
	2009 number	2008 number	2009 number	2008 number
a) The average number of persons employed by the Group, including Executive Directors, during the year is analysed below				
Management and administration	91	88	91	87
Operations	494	456	460	419
	585	544	551	506

	Group		Company	
	2009 £000	2008 £000	2009 £000	2008 £000
b) Employment costs – all employees including Directors				
Aggregate gross wages and salaries	20,481	18,627	18,646	17,191
Social security costs	2,229	1,996	1,985	1,802
Pension costs	189	143	184	143
	22,899	20,766	20,815	19,136

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £000	Group 2008 £000
Interest receivable and similar income consists of		
Bank interest	726	1,533

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £000	Group 2008 £000
Interest payable and similar charges consists of		
Bank interest	29	83
Other interest payable	20	8
	49	91

8 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

a) ANALYSIS OF CHARGE FOR THE YEAR

	2009 £000	Group 2008 £000 restated
Current tax:		
UK corporation tax for the year at 28% (2008 29 2%)	822	478
Adjustments in respect of previous periods	503	75
Overseas tax	9	-
Total current tax (Note 8(b))	1,334	553
Deferred tax:		
Origination and reversal of timing differences	(19)	(45)
Tax on profit on ordinary activities	1,315	508

b) FACTORS AFFECTING TAX CHARGE FOR THE YEAR

	2009 £000	Group 2008 £000 restated
The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 29 2%) The differences are explained below		
Profit on ordinary activities before tax	7,264	8,026
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 29 2%)	2,034	2,344
Effects of		
Expenses not deductible for tax purposes	452	80
Accelerated capital allowances	21	(47)
Adjustments to tax charge in respect of previous periods	165	75
Use of overseas tax losses	(270)	-
Group relief received	(1,068)	(1,899)
Current tax charge for year (Note 8(a))	1,334	553

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

9 DIVIDENDS

	2009 £000	Group 2008 £000
Interim paid nil (2008 402 68 pence) per share	-	1,410
Final paid 1,014 29 pence (2008 1,114 29 pence) per share	3,550	3,900
	3,550	5,310

10 TANGIBLE ASSETS – GROUP

	Leasehold improvements £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
COST					
At 1 September 2008	1,646	364	7,596	2,427	12,033
Additions	-	34	554	260	848
Disposals	-	(14)	(67)	(2)	(83)
At 31 August 2009	1,646	384	8,083	2,685	12,798
ACCUMULATED DEPRECIATION					
At 1 September 2008	1,295	223	4,597	1,565	7,680
Charge for the year	43	71	655	370	1,139
Disposals	-	(14)	(56)	(2)	(72)
At 31 August 2009	1,338	280	5,196	1,933	8,747
NET BOOK AMOUNT					
At 31 August 2009	308	104	2,887	752	4,051
At 31 August 2008	351	141	2,999	862	4,353

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

11 TANGIBLE ASSETS – COMPANY

	Leasehold improvements £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
COST					
At 1 September 2008	1,593	314	7,572	2,406	11,885
Additions	-	13	545	253	811
Disposals	-	(14)	(67)	-	(81)
At 31 August 2009	1,593	313	8,050	2,659	12,615
ACCUMULATED DEPRECIATION					
At 1 September 2008	1,295	214	4,594	1,559	7,662
Charge for the year	42	59	650	361	1,112
Disposals	-	(13)	(57)	(2)	(72)
At 31 August 2009	1,337	260	5,187	1,918	8,702
NET BOOK AMOUNT					
At 31 August 2009	256	53	2,863	741	3,913
At 31 August 2008	298	100	2,978	847	4,223

12 INVESTMENTS – COMPANY

COST	£000
At 1 September 2008	2,119
Additions	318
Disposals	-
At 31 August 2009	2,437
IMPAIRMENTS	
At 1 September 2008	-
Provision for impairments	(1,143)
At 31 August 2009	(1,143)
NET BOOK AMOUNT	
At 31 August 2009	1,294
At 31 August 2008	2,119

The Directors performed an impairment review which has resulted in a writedown in investments of £1,143k (2008: £Nil)

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

Company or incorporation	Country of registration held	Nature of business shares held	Class of shares	Proportion of
Moneycorp SLU	Spain	Introducing broker	Ordinary	100%
Moneycorp Inc	USA	Introducing broker	Ordinary	100%
TTT Moneycorp Pty Ltd	Australia	Introducing broker	Ordinary	100%
Moneycorp Markets Ltd	UK	Online trading	Ordinary	100%
Moneycorp Ltd (Cyprus)	Cyprus	Introducing broker	Ordinary	100%

All of the above subsidiaries are included in the consolidated financial statements.

On 26 November 2008 the Company acquired 400,000 (AUD) common stock in TTT Moneycorp Pty Ltd. at an aggregate nominal value of £168k at par. On 26 June 2009 the Company acquired 150,000 non-cumulative preference shares in Moneycorp Markets Limited at an aggregate nominal value of £150k at par. During the year, the Moneycorp Ltd (Cyprus) business was closed down.

13 STOCKS (non-cash)

	Group and Company	
	2009	2008
	£000	£000
Stocks of maps, phonecards, gold coins, mobile top-up vouchers etc	293	175

14 DEBTORS

	Group		Company	
	2009	2008	2009	2008
	£000	£000	£000	£000
		restated		restated
Trade debtors	129,688	142,422	129,200	142,422
Less provision for trade debtors	(138)	(239)	(138)	(239)
Net trade debtors	129,550	142,183	129,062	142,183
Amounts owed by Parent undertakings	576	520	576	520
Amounts owed by Group undertakings	-	-	-	1,346
Other debtors	1,620	1,041	1,411	376
Corporation tax recoverable	548	235	52	-
Prepayments and accrued income	1,513	1,547	1,488	1,509
	133,807	145,526	132,589	145,934

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

All other amounts owed between Group undertakings other than above are unsecured, interest free and repayable on demand

Movement on the provision for trade debtors is as follows

	Group	
	2009	2008
	£000	£000
At 1 September 2008	239	166
Provision (utilised)/created for trade debtors	(101)	73
At 31 August 2009	138	239

15 CASH AT BANK AND IN HAND

At 31 August 2009, cash balances with banks included £38,739k (2008 £34,866k) held in respect of customer balances. The corresponding liability is included within trade creditors (Note 16)

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£000	£000	£000	£000
		restated		restated
Trade creditors	170,821	175,998	164,847	173,814
Purchase ledger	3,163	3,514	3,163	3,514
Amounts owed to Parent undertakings	443	443	443	443
Amounts owed to Group undertakings	-	-	336	37
PAYE and social security costs	740	930	694	1,026
Accruals and deferred income	3,975	4,076	3,651	3,842
	179,142	184,961	173,134	182,676

Amounts owed to Parent undertaking are unsecured, interest free and repayable on demand

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group and Company	
	2009	2008
	£000	£000
Deferred tax liability		
At 1 September 2008	(36)	(81)
(Charged)/Credited to the profit and loss account	(19)	45
At 31 August 2009	(55)	(36)

The deferred tax balance is the accumulated excess of capital allowances over corresponding depreciation of £55k (2008 £36k)

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

18 CALLED UP SHARE CAPITAL

	Group Ordinary shares of £1 each 2009 2008 restated	
Authorised – value	£1,000,000	£1,000,000
Authorised – number	1,000,000	1,000,000
Allotted, called up and fully paid – value	£350,000	£350,000
Allotted, called up and fully paid – number	350,000	350,000

19 PROFIT AND LOSS ACCOUNT

	Group		Company	
	2009 £000	2008 £000 restated	2009 £000	2008 £000 restated
At 1 September 2008	16,148	13,940	18,308	14,961
Profit for the year	5,949	7,518	4,265	8,657
Dividends	(3,550)	(5,310)	(3,550)	(5,310)
Exchange differences offset in reserves per Statement of Recognised Gains and Losses	(13)	-	(13)	-
At 31 August 2009	18,534	16,148	19,010	18,308

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Company	
	2009 £000	2008 £000 restated	2009 £000	2008 £000 restated
Profit for the year	5,949	7,518	4,265	8,657
Dividends	(3,550)	(5,310)	(3,550)	(5,310)
Exchange differences offset in reserves per statement of recognised gains and losses	(13)	-	(13)	-
Net addition to shareholders' funds	2,386	2,208	702	3,347
Opening shareholders' funds	16,498	14,290	18,658	15,311
Closing shareholders' funds	18,884	16,498	19,360	18,658

21 FINANCIAL COMMITMENTS

a) CONTRACTUAL ANNUAL COMMITMENTS

The Group leases certain premises on short-term contracts. The rents payable under these leases are subject to renegotiation at various intervals specified in the leases and for which the Group pays all insurance, maintenance and repairs. Payments due in the forthcoming year under non-cancellable operating leases are as follows:

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

Date of termination of leases/contracts	Group and Company	
	2009 £000	2008 £000
Within one year	85	102
Within two to five years inclusive	7,034	6,636
After five years	1,304	1,281
	8,423	8,019

b) CAPITAL COMMITMENTS

Capital commitments at 31 August 2009 for which no provision has been made in these financial statements were as follows

	Group and Company	
	2009 £000	2008 £000
Capital expenditure contracted for but not provided for in the financial statements at the balance sheet date	154	79

22 RELATED PARTIES

The Company has taken advantage of the exemption provided by FRS 8 so that the transactions with Group companies have not been disclosed

The Directors of the Company listed below entered into at arms-length transactions with Moneycorp Markets Limited, a subsidiary of TTT Moneycorp Limited, during the year yielding commission income as follows

Mr B Shlewet entered into transactions yielding commission income of £4k,

Mr K Hatton entered into transactions yielding commission income of £2k,

Mr M Weinberg entered into transactions yielding commission income of £1k,

Mr N Medici entered into transactions yielding commission income of £1k,

Mr I McGillivray entered into transactions with TTT Moneycorp Limited outstanding at year end totalling £65k (2008 £nil) that were yet to come to value

Mr P Lever is also a Director of Datong Electronics PLC. During the year, Datong entered into foreign exchange transactions resulting in a gross profit for TTT Moneycorp Limited of £6k (2008 £11k). There were deals outstanding at year end totalling £183k (2008 £1,173k), that were yet to come to value. All transactions were carried out on an arms-length basis. Mr P Lever is Chairman of Bishop Group Limited. During the year Bishop Group supplied services to the Group to the value of £6,491 (2008 £6,446). The balance outstanding at the year end was £nil (2008 £nil). All transactions were carried out at arm's length.

The Group enters into a large number of transactions with RBS throughout the year, but the details of these are not readily extractable from the Group's existing systems. All trades are at an arms-length basis and the value outstanding at 31 August 2009 was £76m (31 August 2008 £39m).

23 ULTIMATE HOLDING COMPANY

The ultimate holding company is Regent Acquisitions (Holdings) Limited (100% effective holding), a company incorporated and registered in Jersey, Channel Islands. The ultimate controllers of this company are the Shlewet family trust, the RBS Special Opportunities Fund (a fund which is managed by RBS Asset Management Limited* and for which the nominee company is RB Investments 1 Limited) and senior management of TTT Moneycorp Limited.

*RBS Asset Management Limited is a subsidiary of Royal Bank of Scotland plc

24 FRS 29 – FINANCIAL RISK MANAGEMENT

The Group's principal risk management objective is to avoid financial loss. The Group actively manages risks through regular reviews of the current and projected order book to ensure that risks do not become excessive or overly concentrated. Specific due diligence is undertaken to assess the risk associated with new customers. The Group does not generally provide credit to its customers. More information on the Group's risk management objectives and processes for managing risk are set out in the Directors' report.

The table below sets out the Group's financial instruments by class. Assets and liabilities are measured at the transaction price agreed with the customer or counterparty. Assets are impaired if it is considered that the likelihood of recovery is low.

(a) DERIVATIVE FINANCIAL INSTRUMENTS

	2009 £000			2008 £000		
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
Forward foreign currency	129,550	132,082	(2,532)	142,183	141,132	1,051

(b) NON-DERIVATIVE FINANCIAL INSTRUMENTS

		2009 £000	2008 £000
Receivables - short term	Non-customer cash	21,191	16,575
Receivables - short term	Other receivables	4,257	3,343
		25,448	19,918
Trade and payables - short term	Customer balances	38,739	34,866
	Other payables	8,321	8,963
		47,060	43,829

(c) CREDIT RISK

	0-3 months	3-6 months	6 months	2009
	£000	£000	£000	£000
Trade receivable	-	-	-	-
Other receivables	404	-	-	404
Forward foreign currency contracts	89,303	29,211	10,632	129,146
	89,707	29,211	10,632	129,550

Notes to the financial statements
FOR THE YEAR ENDED 31 AUGUST 2009

(c) CREDIT RISK (Continued)

	0-3 months	3-6 months	>6 months	2008
	£000	£000	£000	£000
Other receivables	4,852	-	-	4,852
Forward foreign currency contracts	86,853	24,043	26,435	137,331
	91,705	24,043	26,435	142,183

The Other receivables balance of £404k (2008 £4,852k) represents the value of spot deals outstanding at the balance sheet date

Collateral is held in respect of customer deposits and margins received on customer transactions. These amounts are maintained in segregated bank accounts.

Information in relation to balances past due date but not impaired is not at present readily available, however the Group adopts a prudent approach to receivable balances.

Management have reviewed the financial assets of the Group at the year end and are satisfied that they remain of a high quality and that no impairments are required to these balances.

(d) FINANCIAL INSTRUMENTS AT BALANCE SHEET DATE BY CONTRACTUAL MATURITY

	0-3 mths	3-6 mths	6-12 mths	1-2 years	2009
Financial assets	115,155	29,211	10,419	213	154,998
Financial liabilities	139,214	29,340	10,430	158	179,142
	(24,059)	(129)	(11)	55	(24,144)

	0-3 mths	3-6 mths	6-12 mths	1-2 years	2008
Financial assets	111,623	24,043	22,930	3,505	162,101
Financial liabilities	134,956	23,695	22,841	3,469	184,961
	(23,333)	348	89	36	(22,860)

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The Group's financial assets and liabilities as outlined above are materially hedged with a number of counterparty banks. Management do not consider that there is any undue counterparty or credit risk resulting from this activity.

(e) CURRENCY RECEIVABLE AND PAYABLE IN STERLING AT YEAR END

Management have considered the likely impact of exchange rate movement. The impact is considered to be immaterial as substantially all of the Group's positions are fully hedged.

(f) MANAGING CAPITAL

Management consider share capital and net retained earnings to represent the capital of the business. Management regularly review the Group's capital requirements in light of existing and projected future business.