

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006
FOR
EFTPOS UK LIMITED**



EFTPOS UK LIMITED

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EFTPOS UK LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2006

DIRECTORS:

K R Girling
P H Smee
S C McNair
C A Baillie
G G Noel
K Hutchison

SECRETARY:

J D Burns

REGISTERED OFFICE:

MERCURY HOUSE
TRITON COURT
14 FINSBURY SQUARE
LONDON
EC2A 1LQ

REGISTERED NUMBER:

1952127 (England and Wales)

AUDITOR:

KPMG LLP
Chartered Accountants
Registered Auditor
Salisbury Square
LONDON
EC4Y 8BB

EFTPOS UK LIMITED

REPORT OF THE DIRECTORS for the Year Ended 31 December 2006

The directors present their report with the financial statements of the company for the year ended 31 December 2006

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of sub-landlord for the premises situated at 12 Finsbury Square, London

DIRECTORS

The directors during the year under review were

K R Girling (resigned 2 April 2007)
C A Baillie
S P Adams (resigned 29 September 2006)

G G Noel
K Hutchison
A Shaw (appointed 25 October 2006)

P H Smee
S C McNair (resigned 17 January 2007)

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ALTERNATE DIRECTORS

The following served as alternate directors during the year

A Shaw (resigned 25 October 2006) T D P Frost
C Hastings (resigned 17 January 2007)

I T Stewart

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 elected to prepare the Company financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.

EFTPOS UK LIMITED


REPORT OF THE DIRECTORS for the Year Ended 31 December 2006

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

AUDITOR

The auditor, KPMG LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985. This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD:


J D Burns - Secretary

Date 10th October 2007

EFTPOS UK LIMITED

Independent auditor's report to the members of EftPos UK Limited

We have audited the Company financial statements of EftPos UK Limited for the year ended 31 December 2006, which comprise the Company Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2005)

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

EFTPOS UK LIMITED

Independent auditor's report to the members of EftPos UK Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, applicable to Smaller Entities, of the state of the Company's affairs as at 31 December 2006,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

KPMG LLP,

KPMG LLP
Chartered Accountants
Registered Auditor
Salisbury Square
LONDON
EC4Y 8BB
Dated 10 October 2007

EFTPOS UK LIMITED

BALANCE SHEET 31 December 2006

		<u>2006</u>	<u>2005</u>
	Notes	£	£
CURRENT ASSETS:			
Debtors	6	1,065,624	1,287,327
Cash at bank		<u>139,560</u>	<u>294,317</u>
		1,205,184	1,581,644
CREDITORS: Amounts falling due within one year	7	<u>(1,190,681)</u>	<u>(1,567,141)</u>
NET CURRENT ASSETS:		<u>14,503</u>	<u>14,503</u>
DEBTORS : Due after more than one year		1,702,000	2,363,000
TOTAL ASSETS LESS CURRENT LIABILITIES:		1,716,503	2,377,503
CREDITORS: Amounts falling due after more than one year	8	<u>(1,702,000)</u>	<u>(2,363,000)</u>
		<u>£14,503</u>	<u>£14,503</u>
CAPITAL AND RESERVES:			
Called up share capital	10	15	15
Profit and loss account		<u>14,488</u>	<u>14,488</u>
		<u>£14,503</u>	<u>£14,503</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2006)

ON BEHALF OF THE BOARD:



- P H Smee Director

Approved by the Board on 10th October 2007

The notes on page seven to ten form part of these financial statements

EFTPOS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2006)

- (a) The Company is exempted from the requirements of Financial Reporting Standard 1 (revised 1996) to prepare a cash flow statement as it is entitled to the exemption as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies, as set out in paragraph 5(f) of Financial Reporting Standard 1 (revised 1996)
- (b) The Company does not trade on its own account, but acts as an agency for its member institutions, all costs being reimbursed by them. Consequently it makes neither a profit nor a loss during any financial period and therefore does not prepare a profit and loss account. Member institutions make advance payments to the company to cover the costs. Amounts invoiced to member institutions are included in 'Debtors – Other amounts due from shareholders' until payment is received. All amounts invoiced to or paid by shareholders in advance of the related costs being incurred by the Company are included as 'Amounts due to shareholders' within creditors.

2 EMPLOYEES

There were no employees during the year (2005 nil)

3 DIRECTORS

No Director of the company received any emoluments from the Company during the year (2005 nil)

4 OPERATING PROFIT

The operating profit is stated after charging

	2006 £	2005 £
Auditor's remuneration Audit Fees	9,500	9,500
Services provided by APACS (Administration) Limited	<u>71,800</u>	<u>71,000</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2006 nor for the year ended 31 December 2005

EFTPOS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2006**

6 DEBTORS

	2006 £	2005 £
Amounts falling due within one year		
Trade debtors	369,158	480,362
Prepayments	267,466	267,466
Amounts due from Shareholders	-	159,499
Other Amounts due from Shareholder (Note 9)	<u>429,000</u>	<u>380,000</u>
	<u>1,065,624</u>	<u>1,287,327</u>
Amounts falling due after more than one year		
Amounts recoverable from Shareholders (Note 9)	<u>1,702,000</u>	<u>2,363,000</u>
Aggregate amounts	<u>2,767,624</u>	<u>3,650,327</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Amounts due to Shareholders relating to payments received in advance	470,737	818,820
Accrued expenses	251,751	130,775
Provision for rental payments (Note 9)	429,000	380,000
Trade creditors	<u>39,193</u>	<u>237,546</u>
	<u>1,190,681</u>	<u>1,567,141</u>

8 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006 £	2005 £
Lease Obligations	<u>1,702,000</u>	<u>2,363,000</u>

EFTPOS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2006

9 PROVISIONS FOR LIABILITIES AND CHARGES

	Lease Obligations	
	2006	2005
	£	£
Balance at 1 January	2,743,000	3,142,000
Amounts used during the year	(380,000)	(388,000)
Increase during the year on the discounted amount from the passage of time, the effect of changes in the discount rate, and changes in assumptions on future rental income	<u>(232,000)</u>	<u>(11,000)</u>
Balance at 31 December	<u>2,131,000</u>	<u>2,743,000</u>
Included in creditors as		
	Lease Obligations	
	2006	2005
	£	£
Amounts due within one year	<u>429,000</u>	<u>380,000</u>
Amounts due after more than one year	<u>1,702,000</u>	<u>2,363,000</u>

The Company's obligation to meet future rental payments under its leasehold contract for premises known as Livingstone House and situated at 12 Finsbury Square, London EC2 which expires in September 2012, is greater than the expected income from sub-leases. Provision has been made under Financial Reporting Standard 12 and has been calculated as the discounted net rental payment deficits, using an assumption that the periodic rent reviews will not achieve any rent increase, and a discount rate of 4.96%. Certain of the Company's Shareholders are legally bound to indemnify the Company for future payments. The Company expects, therefore, that future rental deficiencies shall be funded by calls on its Shareholders as has already occurred in previous years. Assets of £1,702,000 (2005 £2,363,000) included within Amounts recoverable from Shareholders in Note 6, reflects the Company's entitlement to be reimbursed by its Shareholders.

EFTPOS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2006

10 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2006 £	2005 £
10,000	Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>

Allotted, issued and fully paid Number	Class	Nominal value	2006 £	2005 £
15	Ordinary Shares	£1	<u>15</u>	<u>15</u>

11 RESERVES

	2006 £	2005 £
Profit and Loss Account At 31 December 2006 and 31 December 2005	<u>14,488</u>	<u>14,488</u>

12 OTHER FINANCIAL COMMITMENTS

Annual commitments under leases of land and buildings expiring in more than five years amount to £1,049,000 (2003 £1,049,000)

13 RELATED PARTY DISCLOSURES

(a) Management Charges

The Company paid £71,800 (2005 £71,000) during the year for management services to APACS (Administration) Limited, a company with common ownership. In addition, the Company received £244,970 rental income and £84,071 service charge (2005 £244,970 and £153,826) for the use of space by APACS (Administration) Limited.

(b) Debtors & Creditors

The amounts due from and to member companies are set out in Notes 6 and 7.

(c) Calls from Shareholders

Calls were made to member companies for £300,000 (2005 £300,000) during the year to reimburse expenses incurred by the Company.