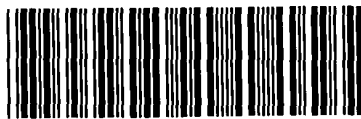


Registered number: 02117319

PXP SOLUTIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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PXP SOLUTIONS LIMITED
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PXP SOLUTIONS LIMITED
COMPANY INFORMATION

Directors	Mr F Del Basso Mr M Day
Company Secretary	Hackwood Secretaries Limited
Registered Number	2117319
Registered Office	The Corn Mill 1 Roydon Road Stanstead Abbots Hertfordshire SG12 8XL
Auditors	Price Bailey LLP Causeway House 1 Dane Street Bishops Stortford Hertfordshire CM23 3BT

PXP SOLUTIONS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Organisational Overview

PXP Solutions Limited is a subsidiary of Kalixa Payments Group Limited. The principal activity of the company is that of software design with technical support and computer consultancy services.

Business model

PXP Solutions Limited provides a card focused technical payment gateway solution to merchants. The suite of solutions offered by the company, creating added value for our clients (and their customers), include PCI, P2PE certified applications, the ability to pay in the native currency of their debit/credit card (Dynamic Currency Conversion), Tokenisation and Offline and Online PIN verification for processing local debit/credit cards in online PIN regions across multiple payment channels. It services merchants in numerous countries in Europe and North America, offering a robust technical solution that allows it to operate 24 hours a day, 365 days a year, safely, securely and continuously.

Strategy

2017 activities have focussed on bringing Hospitality functionality to our flagship ANYpay platform. With features such as Pay at Table, Pay at Reception and Pay at Counter, the ANYPay platform is now relevant to both our existing PC-EFT clients and new clients across the globe.

PXP has cemented its relationship with the Industry leading solution from Oracle by integrating with its OPI interface and becoming an Oracle Gold partner for Payment Gateway Services.

Significant inroads into the Cruise sector have been achieved during 2017 having successfully won and implemented the business from the UK's largest cruise operator.

As part of PXP's continued drive on efficiency we moved our offshore development capability from Spain to Vietnam. This has significantly reduced our development costs whilst increasing capacity and improving quality.

A change of ownership in 2017 occurred, following the sale of Kalixa Payments Group Limited and its Subsidiaries to Senjo Group Pte Ltd. This change in ownership should bring the stability and long term commitment to payments needed to further develop the PXP business and its products, for the benefit of customers and partners alike.

Performance assessment, financial review and key performance indicators

The key performance indicator for the company are settled transaction numbers, which pro-rata have increased by 3.64% (31 December 2016: 62.2%) from prior year.

Risk and uncertainties

Risk management is an integral part of managing our business and PXP Solutions Limited formally maintains and reviews its risk register on a regular basis. Due to the nature of the technical services offered, the key risks to the company are technology related. In order to mitigate these risks, the Company has robust policies and procedures in place.

IT Risk

The Company is exposed to significant IT risks through the processing of financial transactions through its payments gateway. The key risks include ensuring the availability of the payment gateway to payment processors and customers and ensuring that the data transferred through the payment gateway is safe and secure. PXP Solutions Limited continues to ensure its Data Security Policy is robust and any such risk is mitigated by continued external audits by its Qualified Security Assessors and its continued certification to the Payment Card Industries Data Security Standards (PCI-DSS).

Credit Risk

Credit risk is the risk of financial loss to the Company that a customer will fail to meet their contractual obligations. Due to the nature of the company, we are able to switch off the service to customers which will prevent them from being able to deliver payment transactions. We therefore feel we are in a strong position to ensure customers pay in accordance with their contracted terms and this is proactively managed on a monthly basis.

Corporate governance

As a recognised payment gateway, we must ensure we are in compliance with PCI standards. The Kalixa Group has established compliance and risk management processes through the use of workshops, committees and regular timely reporting to ensure that risks are identified, monitored and controlled on an on-going basis and that significant risks are escalated to the board of directors when necessary.

Approved by the Board of directors on 24/3/2018 and signed on its behalf by:

F Del Basso
Director

PXP SOLUTIONS LIMITED
REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors of the company

The directors who held office during the year were as follows:

Mr F Del Basso
Mr M Day

Reporting Period

The reporting period is for the year to 31st December 2017.

Principal activity

The principal activity of the company in the period under review was that of software design with technical support and computer consultancy services.

Results for the Period

The loss for the year to 31st December 2017 after tax was £266,591 (2016 - £1,075,191).

Directors' Responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of Information to auditors

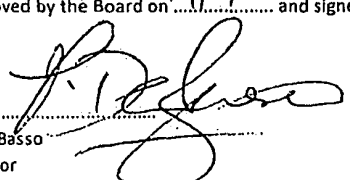
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Auditors

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

Approved by the Board on 29/3/2018 and signed on its behalf by:


F Del Basso
Director

PXP SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PXP SOLUTIONS LIMITED

We have audited the financial statements of PXP Solutions Limited (the 'company') for the year ended 31 December 2017 which comprise Statements of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017, and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter – Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.3 to the financial statements concerning the company's ability to continue as a going concern. The company is reliant on the continued support of its shareholder in order to be able to meet its day to day liabilities. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

PXP SOLUTIONS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PXP SOLUTIONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' 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.



Richard Vass (Senior Statutory Auditor)

For and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishops Stortford
Hertfordshire
CM23 3BT

Date: 29 March 2018

PXP SOLUTIONS LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	£ 2017	£ 2016
TURNOVER	3	4,434,119	3,836,593
Cost of Sales		(113,175)	(15,356)
Gross profit		4,320,944	3,821,237
Non Trading Income		1,182,851	1,066,211
Administration expenses		(5,688,347)	(5,850,243)
LOSS FROM OPERATIONS	4	(184,552)	(962,795)
Interest payable and similar charges	8	(82,039)	(112,396)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(266,591)	(1,075,191)
Tax on loss on operating activities	9	-	-
Total comprehensive loss for the financial year	15	(266,591)	(1,075,191)

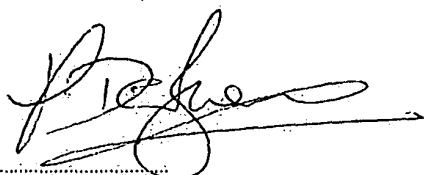
The notes on page 8 to 15 form part of these financial statements.

PXP SOLUTIONS LIMITED (REGISTRATION NUMBER: 02117319)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	31-Dec 2017 £	31-Dec 2016 £
Non-current assets			
Tangible assets	10	346,549	917,151
Current assets			
Trade and other receivables	11	999,498	760,666
Cash and cash equivalents		267,611	716,712
		<u>1,267,109</u>	<u>1,477,378</u>
Payables : Amounts falling due within one year	12	<u>(1,378,166)</u>	<u>(1,411,223)</u>
Net current assets/(liabilities)		(111,057)	66,155
Total Assets Less Current Liabilities		<u>235,492</u>	<u>983,306</u>
Payables : Amounts falling due after more than one year	13	3,930,003	4,411,226
Equity			
Called up Share capital	14	100	100
Accumulated Loss	15	<u>(3,694,611)</u>	<u>(3,428,020)</u>
		<u>(3,694,511)</u>	<u>(3,427,920)</u>
		<u>235,492</u>	<u>983,306</u>

The financial statements on pages 5 to 15 were approved and authorised for issue by the board and were signed on its behalf on 29/3/2018



Mr F Del Basso
Director

The notes on pages 8 to 15 form an integral part of these financial statements.

PXP SOLUTIONS LIMITED (REGISTRATION NUMBER: 02117319)
STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2017

	Notes	Called Up Share Capital	Accumulated Loss	Total
		£	£	£
01 January 2017		100	(3,428,020)	(3,427,920)
Comprehensive loss for the year				
Loss for the year		-	(266,591)	(266,591)
Balance as at 31 December 2017	15	100	(3,694,611)	(3,694,511)
01 January 2016		100	(2,352,829)	(2,352,729)
Comprehensive loss for the year				
Loss for the year		-	(1,075,191)	(1,075,191)
Balance as at 31 December 2016		100	(3,428,020)	(3,427,920)

PXP SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a historical cost basis and the presentation currency used is sterling.

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- a statement of cash flows;
- the effect of future accounting standards, not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by GVC Holdings PLC.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosure is included in the consolidated financial statements of Kalixa Payments Group Limited. These financial statements do not include certain disclosures in respect of:

- financial instruments;
- fair value measurements; or
- impairment of assets.

1.2 General Information

The Company is a private company limited by shares and is incorporated in England and Wales. The address of its Registered Office is The Corn Mill, 1 Roydon Road, Stanstead Abbots, Hertfordshire, SG12 8XL.

1.3 Going Concern

The company made a loss after tax for the year of £266,591 (2016: £1,075,191) and had net current liabilities as at 31 December 2017 of £111,057 (2016 net current assets of £66,155).

The Company is reliant on the continued support of its shareholder in order to be able to meet its day to day liabilities. The Directors are confident of the continued support. The directors consider that the Company will continue in operational existence for the foreseeable future and consequently the financial statements have been prepared on a going concern basis. However, should the parent company cease its support the company may be unable to realise its assets and discharge its liabilities in the normal course of business. These conditions indicate the existence of a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

1.4 Judgements and key areas of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires the company's directors to exercise judgment in applying the company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

1.5 Turnover & Non Trading Income

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover derives mainly from services provided under software and support agreements, which comprise of licence fees; set up fees; engineering consultancy fees; sale of hardware; support and maintenance charges for the term of the agreement.

Fees from hosting, support and maintenance agreements are invoiced in advance of the services provided and an adjustment is made at period end to account for the deferred income element.

For all existing agreements and where customers are operated on a hosted service, volume invoices are generated at month end for the number of transactions processed through the company's platforms. The revenue is recognised in the month or year in which the process or service took place and is therefore not subject to the same deferment adjustment as with the above.

Non trading income relates largely to recharge for facilities to other members of the group for the usage of The Corn Mill offices, along with intercompany transactions related to Intellectual Property.

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are recognised at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	20% straight line basis
Computer Equipment	33% straight line basis
Software	33% straight line basis

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Operating leases are where an asset is rented from a lessor but the ownership of the asset remains with the lessor and not transferred to the company.

1.9 Inventories

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income account.

1.12 Share capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1.13 Financial assets

Trade and other receivables

Trade and other receivables are attributable to activities relating to software design with technical support and computer consultancy services and are recognised at fair value. Trade and other receivables are recognised when an invoice is raised and credit control processes are in place to collect any debts which have not been paid within the designated payment terms. The receivables balance is subsequently cleared once payment has been received. Other receivables consists of security deposits and prepaid expenses.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income as a bad debt. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents

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

1.14 Financial Liabilities

Trade and other payables

Trade and other payables are generated through the normal means of trading and are recognised at fair value. The payables balance is subsequently cleared once payment has been made. All suppliers' terms and credit periods are adhered to by the Company. Other payables show balances which are due to be paid on behalf of employee related creditors.

Trade payables are measured at fair value.

Other financial liabilities

Loans from group companies are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. The difference between the fair value of the loan on initial recognition and the amount of the proceeds is credited directly to equity as a capital contribution.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The directors have considered the critical accounting estimates and judgements used in the financial statements and concluded that the main areas of judgement are detailed below.

Useful lives of tangible fixed assets

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the company's accounting policy. The selection of these estimated lives requires the exercise of management judgement. Useful lives are regularly reviewed and should management's assessment of useful lives shorten then depreciation charges in the financial statements would increase and carrying amounts of the tangible fixed assets would reduce accordingly. The carrying amount of the tangible fixed assets by each class is included in note 11.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the recoverability impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience.

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

3. TURNOVER

	31-Dec 2017 £	31-Dec 2016 £
Sales - UK	2,636,037	2,079,694
Sales - Europe	602,516	584,252
Sales - Rest of world	1,195,566	1,172,647
	<u>4,434,119</u>	<u>3,836,593</u>

4 OPERATING LOSS

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets owned	608,389	603,180
Foreign Currency losses	<u>70,205</u>	<u>8,497</u>

5 AUDITORS' REMUNERATION

	2017 £	2016 £
Fees payable to the company's auditor for the audit of the annual accounts	<u>15,000</u>	<u>32,518</u>

6 PARTICULARS OF EMPLOYEES

	2017 No	2016 No
Operations	28	28
Development	7	7
Sales & Marketing	3	3
	<u>38</u>	<u>38</u>

The aggregated payroll costs were as follows

	2017 £	2016 £
Wages and salaries	1,864,174	1,865,870
Social security costs	218,329	210,959
Staff pensions	10,367	10,131
	<u>2,092,870</u>	<u>2,086,960</u>

7 DIRECTORS' REMUNERATION

	2017 £	2016 £
Aggregate remuneration	<u>333,688</u>	<u>299,359</u>
During the period the number of directors were:		
Directors	<u>2</u>	<u>3</u>
In respect of the highest paid director:		
Aggregate remuneration	<u>195,016</u>	<u>192,495</u>

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

8 INTEREST PAYABLE

	2017	2016
	£	£
Other interest payable	82,039	112,396
	<u>82,039</u>	<u>112,396</u>

9 TAXATION

Analysis of tax charge in the year	2017	2016
	£	£
Current tax		
UK corporation tax charge on loss for the year	-	-
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK at 19%.

The differences are reconciled below:

	2017	2016
	£	£
Loss on ordinary activities before tax	<u>(266,591)</u>	<u>(1,075,191)</u>
Tax on loss on ordinary activities as at standard CT rate of 19% (2016 - 20%)	(50,652)	(215,038)
Effects of:		
Expenses not deductible for tax purposes	-	1,208
Group relief	(31,540)	166,855
Depreciation in excess of capital allowances	<u>82,192</u>	<u>46,975</u>
Tax charge for the year	<u>-</u>	<u>-</u>

The company has an unrecognised deferred tax asset of £210,113 (2016: £210,113) in relation to losses and other deductions. No deferred tax assets have been recognised by the Company due to the uncertainty around the timing and the extent of future taxable profits available.

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10 TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Software £	Total £
Cost				
At 31 December 2016	109,099	1,933,391	152,453	2,194,943
Additions	-	4,334	33,453	37,787
Disposals	-	-	-	-
At 31 December 2017	109,099	1,937,725	185,906	2,232,730
Depreciation				
At 31 December 2016	73,090	1,120,157	84,545	1,277,792
Charge for the year	14,697	543,331	50,361	608,389
Disposals	-	-	-	-
At 31 December 2017	87,787	1,663,488	134,906	1,886,181
Net book value				
At 31 December 2017	21,312	274,237	51,000	346,549
At 31 December 2016	36,009	813,234	67,908	917,151

11 RECEIVABLES

	2017 £	2016 £
Due within one year		
Trade Receivables	822,335	634,517
Other Receivables	177,163	102,662
Amounts owed by group undertakings	-	23,487
	999,498	760,666

12 PAYABLES

Amounts falling due within one year	2017 £	2016 £
Trade payables	319,326	221,596
Amounts owed to group undertakings	73,062	-
Other taxation and social security	85,501	148,335
Other payables	68,443	246,983
Accruals and deferred income	831,834	794,309
	1,378,166	1,411,223

PXP SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13 PAYABLES:

Amounts falling due after more than one year

	2017	2016
	£	£
Amounts owed to group undertakings		
Due 1 - 2 years	39,362	43,697
Due 2 - 5 years	3,890,641	4,367,529
	<u>3,930,003</u>	<u>4,411,226</u>

14 SHARE CAPITAL

Allotted, called up and fully paid shares

	2017	2016
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

15 RESERVES

	31-Dec-17 Retained Earnings £	31-Dec-16 Retained Earnings £
At 1st January 2017	(3,428,020)	(2,352,829)
Loss for the financial year	(266,591)	(1,075,191)
At 31 December 2017	<u>(3,694,611)</u>	<u>(3,428,020)</u>

16 FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets		
Trade and other receivables	999,498	737,179
Cash and cash equivalents	267,611	716,712
Amounts owed by group undertakings	-	23,487
Financial liabilities		
Trade and other payables	473,269	616,914
Amounts owed to group undertakings	112,424	43,697

All of the financial instruments are held at fair value.

A description of the principal risk relating to financial instruments and their relevance to the Company and how they are managed is given below:

Liquidity risk:

The Company maintains sufficient cash and liquid resources to cover likely future settlements. We also have the backing of the group if required. Amounts owed to the group are non-current liabilities.

Currency risk:

Foreign currency risk is the risk that the value of a financial instrument will vary with respect to foreign currency fluctuations. The Company has minimal currency risk exposure since most of its assets and transactions are denominated in sterling.

Capital management risk:

Equity comprises all components of equity (i.e. called up share capital and accumulated losses). The Company manages its capital structure and makes adjustments to it in the light of changes to its net debt. In order to adjust the capital structure, the company may reduce debt or preserve a strong cash base to achieve the required net debt ratio.

Credit risk:

Credit risk is the risk of financial loss to the Company that a customer will fail to meet their contractual obligations. Due to the nature of the company, we are able to switch off the service to customers which will prevent them from being able to deliver payment transactions. We therefore feel we are in a strong position to ensure customers pay in accordance with their contracted terms.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

17 COMMITMENTS UNDER OPERATING LEASES

	Land and buildings		Other	
	31-Dec	31-Dec	31-Dec	31-Dec
	2017	2016	2017	2016
	£	£	£	£
Due:				
Within 1 Year	164,582	164,582	5,209	5,209
Between 2 and 5 Years	329,164	493,746	6,150	11,359
	<u>493,746</u>	<u>658,328</u>	<u>11,359</u>	<u>16,568</u>

18 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption available under FRS101 paragraph 8(k), not to disclose any transactions with wholly owned subsidiaries included in the consolidated financial statements of its parent company.

19 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate holding company is Senjo Group PTE Limited, who are incorporated in Singapore. The Company's immediate holding company is Kalixa Payments Group Limited, a company incorporated in the UK.