

Company Registration No. 2793665

**INTERNATIONAL CURRENCY  
EXCHANGE (EUROPE) PLC**

**Report and Financial Statements**

**29 February 2008**

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# **INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

## **REPORT AND FINANCIAL STATEMENTS 2008**

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# **INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

Z G Tejani  
F G Tejani  
N G Tejani  
T E Johnson

### **SECRETARY**

A P White

### **REGISTERED OFFICE**

Albany Court Yard  
47 - 48 Piccadilly  
London  
W1J 0LR

### **BANKERS**

Barclays Bank PLC  
PO Box 15162  
50 Pall Mall  
London, SW1A 1QB

The Cooperative Bank  
80 Cornhill  
London, EC3V 3NJ

### **SOLICITORS**

Clintons  
55 Drury Lane  
London  
WC2B 5RZ

### **AUDITORS**

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
8 Salisbury Square  
London  
EC4Y 8BB

# **INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

## **DIRECTORS' REPORT**

The directors submit their report and the audited financial statements of International Currency Exchange (Europe) PLC ("the Company") for the year ended 29 February 2008

### **ACTIVITIES**

The principal activities of the Company during the year were the provision of foreign exchange, the provision of travel services and hotel bookings

### **REVIEW OF DEVELOPMENTS**

A summary of the year's trading is given on page 6 to the accounts. The directors consider the result achieved is satisfactory. The Company produced a profit after tax for the year of £1 260,730 (2007: £2,095,511)

### **DIVIDENDS**

No dividend is proposed for the year (2007: £nil)

### **FUTURE PROSPECTS**

The directors are optimistic for a continuing profits trend for the foreseeable future

### **DISCLOSURE OF INFORMATION TO AUDITORS**

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 ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### **FINANCIAL RISK MANAGEMENT**

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are currency, interest rate and cash flow risk. These risks are mitigated by the routine monitoring of key management information. The KPI's used by the company to monitor financial risk include turnover, gross profit and salary costs as a percentage of turnover. A summary of key financial data is set out below

<b>KEY FINANCIAL DATA</b>	<b>2008</b>	<b>2007</b>
TURNOVER	29,037,068	33,142,706
GROSS PROFIT	2,278,330	3,066,525
RETAINED PROFIT AFTER TAX	1,260,730	2,095,511
EQUITY SHAREHOLDERS' FUNDS	9,593,897	8,333,167
TOTAL ASSETS	11,626,976	9,123,097
SALARY COSTS AS A PERCENTAGE OF TURNOVER	3.12%	3.09%

### **PAYMENT OF CREDITORS**

It is the policy of the Company to abide by the terms of payment agreed with each supplier. At the year end, creditor days were 30 days (2007: 30 days)

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## DIRECTORS' REPORT (continued.....)

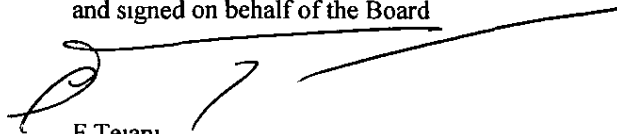
### DIRECTORS

The names of persons who were directors throughout the year are as follows

Z G Tejanı  
F G Tejanı  
N G Tejanı  
T E Johnson

N G Tejanı held one £1 ordinary share in International Currency Exchange (Europe) PLC throughout the year. The directors' interests in Lenlyn Holdings PLC and International Currency Exchange PLC are disclosed in the financial statements of these companies. There are no other disclosable interests in group companies.

Approved by the Board of Directors  
and signed on behalf of the Board



F Tejanı  
Director

25 September 2008

## **INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC**

We have audited the financial statements of International Currency Exchange (Europe) Plc for the year ended 29 February 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movement in Shareholders Funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 4.

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**

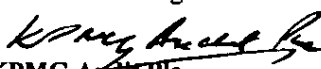
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 29 February 2008 and of its profit for the year then ended,
- 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 Audit Plc

Chartered Accountants

Registered Auditor

8 Salisbury Square

London EC4Y 8BB

25 September 2008

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## PROFIT AND LOSS ACCOUNT

Year ended 29 February 2008

	Note	2008 £	2007 £
<b>TURNOVER</b>	1	29,037,068	33,142,706
Cost of sales		(26,758,738)	(30,076,181)
<b>GROSS PROFIT</b>		2,278,330	3,066,525
Administrative expenses		(1,207,448)	(1,549,595)
Other operating income		183,749	146,573
<b>OPERATING PROFIT</b>		1,254,631	1,663,503
Interest receivable and similar income	3	4,451	33
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	1,259,082	1,663,536
Tax credit on profit on ordinary activities	5	1,648	431,975
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	1,260,730	2,095,511

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

The company has no recognised gains or losses other than the profit for the current and prior year

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

All activities derive from continuing operations

The accompanying notes are an integral part of this profit and loss account

## RECONCILIATION OF MOVEMENT ON SHAREHOLDERS FUNDS

	2008 £	2007 £
Profit for the year	1,260,730	2,095,511
Opening shareholders' funds	8,333,167	6,237,656
Closing shareholders' funds	9,593,897	8,333,167

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



# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

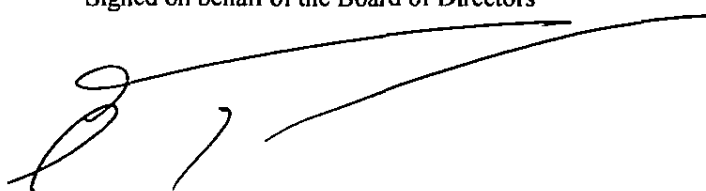
## BALANCE SHEET At 29 February 2008

	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible assets	6	397,269	5,462
<b>CURRENT ASSETS</b>			
Stocks		8,450	109,563
Debtors	7	10,412,749	8,663,748
Cash at bank and in hand		808,508	344,324
		11,229,707	9,117,635
<b>CREDITORS – amounts falling due within one year</b>	8	(2,033,079)	(789,930)
<b>NET CURRENT ASSETS</b>		9,196,628	8,327,705
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,593,897	8,333,167
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	50,000	50,000
Profit and loss account	10	9,543,897	8,283,167
<b>EQUITY SHAREHOLDERS' FUNDS</b>		9,593,897	8,333,167

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

These financial statements were approved by the Board of Directors on 25 September 2008

Signed on behalf of the Board of Directors



F Tejani  
Director

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Turnover and cost of sales

Turnover represents sales of foreign currency and travellers cheques, cash processing and related commissions and fees receivable.

Cost of sales represents the cost of purchase of foreign currency, direct selling costs and holding gains and losses on foreign currency.

The directors consider that the activities of the Company comprise one business segment.

In accordance with the exemptions of the Companies Act 1985 disclosure of turnover by geographical segment would be, in the opinion of the directors, seriously prejudicial to the interests of the Company and as such is not given.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful economic life.

Fixtures and fittings	-	20% on cost, five years, straight line
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Computer equipment	-	20% on cost, five years, straight line
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Profits and losses on disposal of tangible fixed assets are disclosed separately in the profit and loss account where material.

#### Cash at bank and in hand

Foreign currencies and foreign currency travellers cheques are included in cash at bank and in hand and are valued at their estimated net realisable value based on the foreign exchange rate ruling at the year end.

#### Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. All translation differences are taken to the profit and loss account.

#### Cash flow statement

The Company is exempt from preparing a cash flow statement under paragraph 5(a) of Financial Reporting Standard No. 1 (Revised 1996) "Cash Flow Statements".

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 1. ACCOUNTING POLICIES (continued)

#### Deferred Taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in the taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### 2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2008 £	2007 £
Directors' emoluments (excluding pension contributions)	207,803	288,702
Company contributions paid to a pension scheme in respect of directors	-	-

During the year no contributions were made to the directors pension scheme (2007 – none). The above amounts for remuneration include the following in respect of the highest paid director:

	2008 £	2007 £
Remuneration of the highest paid director (excluding pension contributions)	123,349	101,233
Company contributions paid to the pension scheme for highest paid director	-	-

Employee costs were as follows	2008 £	2007 £
Wages and salaries	821,945	925,697
Social security costs	74,479	85,375
Social security costs	10,577	12,098
	907,001	1,023,170

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued...)

The average monthly number of employees during the year was as follows

	2008	2007
	No.	No.
Bureaux staff	44	53

### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2008	2007
	£	£
Bank interest	4,451	33

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2008	2007
	£	£
Profit on ordinary activities before taxation is after charging:		
Auditors' remuneration - audit services	31,500	32,000
- tax compliance	5,500	5,500
Depreciation of tangible fixed assets	20,724	4,625

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2008 £	2007 £
United Kingdom corporation tax at 30% (2007 - 30%)	-	-
Adjustment in respect of prior years	(2,111)	435,059
	(2,111)	435,059
Deferred taxation (Note 9)		
Timing differences, origination and reversal	3,759	(3,084)
	1,648	431,975

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK of 30% (2007 - 30%) The differences are explained below

	2008 £	2007 £
Profit on ordinary activities before taxation	1,259,082	1,663,536
Tax at 30% thereon (2007 30%)	(377,725)	(499,061)
Plus/(less) the effects of		
Expenses not deductible for tax purposes	(2,549)	(4,219)
Capital allowances in excess of depreciation	(4,183)	3,026
Other deferred tax movements	(1,025)	-
Other short term timing differences	330	56
(Under)/over provision of current tax	(2,111)	435,063
Group relief claimed for no charge	385,152	500,194
	(2,111)	435,059

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS Year ended 29 February 2008

### 6. TANGIBLE ASSETS

	Computer equipment £	Fixtures and fittings £	TOTAL £
<b>COST</b>			
At 1 March 2007	223,675	677,268	900,943
Additions	10,272	405,678	415,950
Disposals	(206,802)	(531,786)	(738,588)
	<u>27,145</u>	<u>551,160</u>	<u>578,305</u>
At 29 February 2008			
<b>ACCUMULATED DEPRECIATION</b>			
At 1 March 2007	222,504	672,977	895,481
Charge for the year	1,565	19,159	20,724
Disposals	(206,794)	(528,375)	(735,169)
	<u>17,275</u>	<u>163,761</u>	<u>181,036</u>
At 29 February 2008			
<b>NET BOOK VALUE</b>			
At 29 February 2008	<u>9,870</u>	<u>387,399</u>	<u>397,269</u>
At 28 February 2007	<u>1,171</u>	<u>4,291</u>	<u>5,462</u>

### 7. DEBTORS

Due within one year:	2008 £	2007 £
Called up share capital not paid	37,500	37,500
Corporation tax recoverable	-	435,059
Amount owed by group companies	9,914,244	7,988,635
Deferred tax asset (Note 9)	15,689	11,930
Prepayments and accrued income	368,081	31,065
Other debtors	77,235	159,559
	<u>10,412,749</u>	<u>8,663,748</u>

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 8. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Bank overdraft	-	37,166
Other taxes and social security	-	29,473
Trade creditors	24,290	69,912
Amounts due to group companies	1,882,027	585,585
Other creditors	33,989	6,484
Accruals and deferred income	92,773	61,310
	<u>2,033,079</u>	<u>789,930</u>

### 9. DEFERRED TAXATION

Movement of deferred tax balance	2008	2007
	£	£
At 1 March	11,930	15,014
Credit/(Charge) to profit and loss account (Note 5)	3,759	(3,084)
	<u>15,689</u>	<u>11,930</u>
At 29 February (Note 7)		

Analysis of deferred tax balance:	2008	2007
	£	£
Capital allowances in excess of depreciation	15,689	11,601
Short term timing differences	-	329
	<u>15,689</u>	<u>11,930</u>

# INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

## NOTES TO THE ACCOUNTS

Year ended 29 February 2008

### 10. STATEMENT OF MOVEMENT ON RESERVES

	Profit and loss account £
At 1 March 2007	8,283,167
Profit for the year	<u>1,260,730</u>
At 29 February 2008	<u><u>9,543,897</u></u>

### 11. CALLED UP SHARE CAPITAL

	2008 £	2007 £
<b>Authorised:</b>		
5,000,000 ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
<b>Allotted:</b>		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Called and partly paid:</b>		
50,000 ordinary shares of £1 each 25p paid	<u>12,500</u>	<u>12,500</u>

### 12. RELATED PARTY DISCLOSURES

The company takes advantage of the exemption provided in Financial Reporting Standard No 8 "Related party disclosures" not to disclose transactions with group related parties. There were no other related party disclosures requiring disclosure.

### 13. ULTIMATE PARENT COMPANY

International Currency Exchange (Europe) PLC is controlled by International Currency Exchange PLC, an unquoted company incorporated in Great Britain. International Currency Exchange PLC is the parent of the smallest group for which consolidated accounts are prepared. The ultimate holding company of International Currency Exchange (Europe) PLC is Lenlyn Holdings PLC which is incorporated in Great Britain. Lenlyn Holdings PLC is the parent of the largest group for which consolidated accounts are prepared. Copies of the consolidated financial statements for the smallest and largest groups are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.