

**Company Registration No. 02854737**

**Ruesch International Limited**

**Annual Report and Financial Statements**

**31 March 2007**



# **Ruesch International Limited**

## **Report and financial statements**

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# **Ruesch International Limited**

## **Report and financial statements**

### **Officers and professional advisers**

#### **Directors**

John Martin (appointed on 4 September 2007)  
James Birch (appointed on 4 September 2007)  
Jane Budd Sim (appointed on 4 September 2007)  
Pierre F V Merle (resigned on 4 September 2007)  
Robert A Minicucci (resigned on 4 September 2007)  
James R Matthews (resigned on 4 September 2007)  
Brian T Regan (resigned on 4 September 2007)  
Thomas P Staudt (resigned on 4 September 2007)

#### **Secretary**

Sylvain Pignet (appointed on 4 September 2007)  
David R Fontaine (resigned on 4 September 2007)

#### **Registered Office**

Whitebrook Park  
Lower Cookham Road  
Maidenhead  
Berkshire  
SL6 8XY

#### **Bankers**

HSBC Bank plc  
Corporate Office  
Canada Square  
London  
E14 5XL

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants & Registered Auditors  
London  
EC4A 3TR

# **Ruesch International Limited**

## **Directors' report**

The directors present their report and the audited financial statements for the year ended 31 March 2007

### **Principal activities**

The company operates as an enterprise specialising in international payments and related services

### **Business review**

The results for the year ended 31 March 2007 are considered satisfactory and the directors are optimistic about future trading prospects. The turnover increased to £9,867,921 from £9,508,571 and profit before tax increased to £5,405,688 from £5,189,570. The actual performance is evaluated against the key performance indicators (KPI) at the group level rather than the individual entity level, for this reason the directors are of the opinion that no specific KPI's are relevant to the users of these financial statements.

### **Future outlook**

The directors anticipate that the company will remain profitable for the current year. Whilst the external environment is expected to remain competitive in 2007-08, the company is well placed to take advantage of future opportunities.

Ruesch Holding International ('RHI') (the parent company) entered into an agreement with Travelex for Travelex to acquire RHI and its wholly owned subsidiaries. Details of the transaction are contained in note 18 to the financial statements.

### **Results and dividends**

The profit for the year after tax amounted to £3,778,281 (2006 - £3,673,147), which has been transferred to reserves. The directors made a dividend distribution to RHI in 2006-07 in the amount of £14,428,358 (2006 - £Nil).

### **Directors**

The directors of the company, who served throughout the year and upto the date of this report are set out on page 1. No director or a member of his or her family held shares in the company during the year to 31 March 2007.

### **Donations**

Donations in the amount of £1,000 were paid for a charitable purpose during the year (2006 - £Nil).

### **Financial risk management**

The disclosures required to be included in the directors' report in respect of the company's exposure to financial risk and its financial risk management policies are given in note 17 to the financial statements.

### **Disclosure of information to auditors (Section 234ZA)**

Each of the directors at the date of approval of this report confirms that

- 1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- 2) the director has taken all the steps that he/she 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.

## **Ruesch International Limited**

### **Directors' report**

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985

#### **Auditors**

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors. A resolution to appoint auditors for the next fiscal year will be proposed at the forthcoming Annual General Meeting

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

A handwritten signature in black ink, appearing to be 'Joni', written over the word 'Director'.

Director

13 November 2007

## **Ruesch International Limited**

### **Statement of directors' responsibilities**

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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, 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 the financial statements comply with the Companies Act 1985. 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.

## **Independent auditors' report to the members of Ruesch International Limited**

We have audited the financial statements of Ruesch International Limited for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 19. 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 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.

### **Respective responsibilities of directors and auditors**

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

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**

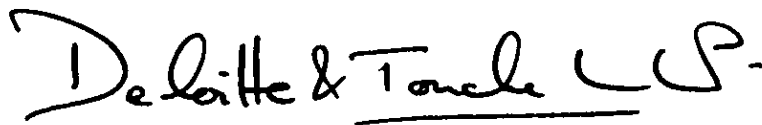
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 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

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style. The word "Deloitte" is written in a larger, more prominent script, followed by "& Touche" and "LLP" in a slightly smaller, more compact script. The signature is positioned above the printed name of the firm.

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London, England

13 November 2007



## Ruesch International Limited

### Profit and loss account Year ended 31 March 2007

	Notes	2007 £	2006 £
Turnover	1	9,867,921	9,508,571
Administrative expenses		(5,962,670)	(5,814,016)
Other operating income	1	<u>1,520,041</u>	<u>1,508,236</u>
<b>Operating profit</b>	2	5,425,292	5,202,791
Interest payable and similar charges	3	<u>(19,604)</u>	<u>(13,221)</u>
<b>Profit on ordinary activities before taxation</b>		5,405,688	5,189,570
Tax on profit on ordinary activities	6	<u>(1,627,407)</u>	<u>(1,516,423)</u>
<b>Profit on ordinary activities after taxation</b>	11/12	<u><u>3,778,281</u></u>	<u><u>3,673,147</u></u>


All activities are derived from continuing operations. There were no recognised gains or losses for the current or previous financial year other than as stated in the profit and loss account above.

# Ruesch International Limited

## Balance sheet 31 March 2007

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Tangible assets	7	233,688	311,825
<b>Current assets</b>			
Debtors	8	5,339,484	18,860,688
Cash at bank and in hand		157,857	83,805
		<u>5,497,341</u>	<u>18,944,493</u>
<b>Creditors' amounts falling due within one year</b>	9	<u>(1,952,648)</u>	<u>(4,827,860)</u>
<b>Net current assets</b>		<u>3,544,693</u>	<u>14,116,633</u>
<b>Net assets</b>		<u>3,778,381</u>	<u>14,428,458</u>
<b>Capital and reserves</b>			
Share capital	10	100	100
Profit and loss account	11	<u>3,778,281</u>	<u>14,428,358</u>
<b>Shareholders' funds</b>		<u>3,778,381</u>	<u>14,428,458</u>

These financial statements were approved and authorised for issue by the Board of Directors on 13 November 2007 and signed on behalf of the Board of Directors



Jane Budd Sim  
Director

# Ruesch International Limited

## Cash flow statement Year ended 31 March 2007

	Notes	2007 £	2006 £
<b>Net cash inflow from operating activities</b>	14	15,658,570	1,783,762
<b>Returns on investments and servicing of finance</b>			
Interest paid		(19,604)	(13,221)
<b>Taxation</b>		(1,126,303)	(1,433,984)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(10,253)	(290,713)
<b>Financing</b>			
Equity dividend paid		(14,428,358)	-
<b>Increase in cash</b>	15	<u>74,052</u>	<u>45,844</u>

# **Ruesch International Limited**

## **Notes to the financial statements Year ended 31 March 2007**

### **1 Accounting policies**

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the previous year, is set out below

#### **Basis of accounting**

The financial statements are prepared in accordance with applicable United Kingdom laws and accounting standards under the historical cost convention

#### **Turnover**

Turnover comprises gross profit on spot sales of foreign currencies and is recognised upon consummation of the sales transactions. Turnover also comprises gross profit on forward contracts and is recorded on the date of inception for the contracted amount. The turnover is recognised on a net basis as the difference between turnover and the associated costs of sales. The company enters into contracts with third party suppliers to cover foreign currency transactions.

#### **Other operating income**

The other operating income comprises service charges earned during the year.

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the profit and loss account.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are recorded at cost net of depreciation and provision for impairment. Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The rates of depreciation are as follows:

Fixtures, fittings and equipment	20% per annum
Leasehold improvements	10% per annum
Software development	33% per annum

#### **Leases**

Lease rent payable under operating leases is charged to the profit and loss account over the term of the lease.

#### **Taxation**

Corporation tax is provided for on taxable profits at the current rate.

#### **Deferred tax**

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 rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

#### **Pensions**

The company operates a defined contribution pension scheme. The company pays contributions into individuals' personal pension plans and its commitment is limited to the regular contributions. The amount charged to profit and loss account in respect of pension costs represents contributions payable by the company in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

# Ruesch International Limited

## Notes to the financial statements Year ended 31 March 2007

### 2. Operating profit

Operating profit is after charging

	2007 £	2006 £
Operating lease rentals – land and buildings	238,922	412,290
Depreciation	87,818	79,308
Auditors' remuneration – audit of company accounts	16,450	13,500

### 3 Interest payable and similar charges

	2007 £	2006 £
Interest payable on security deposits	19,604	13,221

### 4 Staff costs

Average weekly number of employees, including directors

	2007 No	2006 No
Administration	51	53

Staff costs, including directors

	2007 £	2006 £
Wages and salaries	1,831,714	1,736,549
Social security costs	225,832	214,433
Other pension costs	46,399	51,371
	2,103,945	2,002,353

### 5. Directors' emoluments

	2007 £	2006 £
Aggregate of directors' emoluments	124,912	83,304
Contributions to money purchase pension schemes	9,493	3,938
	134,405	87,242

The total remuneration of the highest paid Director was £134,405 (2006 - £87,242) inclusive of company contributions to money purchase pension schemes of £9,493 (2006 - £3,938)

# Ruesch International Limited

## Notes to the financial statements Year ended 31 March 2007

### 6. Taxation on profit on ordinary activities

#### *Analysis of tax charge on profit on ordinary activities*

	2007 £	2006 £
United Kingdom corporation tax charge at 30% based on current year profit	1,631,882	1,557,512
Prior year adjustments	(3,066)	(40,024)
Current year tax charge	1,628,816	1,517,488
Deferred tax		
Timing differences, (origination) and reversal	(1,409)	7,242
Adjustments to the estimated recoverable amounts of deferred tax asset arising in previous periods	-	(8,307)
Tax on profit on ordinary activities	1,627,407	1,516,423

#### *Factors affecting the tax charge in the current year*

The current year UK taxation charge is higher (2006 lower) than that resulting from applying the standard UK corporation tax rate of 30% (2006 30%) The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before taxation	5,405,688	5,189,570
Tax at 30% (2006 30%)	1,621,707	1,556,871

#### *Effects of*

Expenses not deductible for tax purposes	8,766	7,883
Depreciation in excess of capital allowances	1,409	(7,242)
Prior year adjustments	(3,066)	(40,024)
Current tax charge for the year	1,628,816	1,517,488

#### **Deferred taxation (see note 8)**

	2007 £	2006 £
Excess of depreciation over capital allowances	9,088	7,679

The movement in the deferred tax asset in the year is as follows

	2007 £	2006 £
Deferred tax asset at start of the year	7,679	6,614
Profit and loss charge	1,409	(7,242)
Adjustment in respect of prior year	-	8,307
Deferred tax asset at end of year	9,088	7,679

# Ruesch International Limited

## Notes to the financial statements Year ended 31 March 2007

### 7 Tangible fixed assets

	Leasehold improvements £	Software development £	Fixtures & fittings £	Total £
<b>Cost</b>				
At 1 April 2006	278,675	161,926	466,188	906,789
Additions	-	8,295	1,958	10,253
At 31 March 2007	278,675	170,221	468,146	917,042
<b>Accumulated depreciation</b>				
At 1 April 2006	164,613	127,430	302,921	594,964
Charge for the year	25,368	21,994	41,028	88,390
At 31 March 2007	189,981	149,424	343,949	683,354
<b>Net book value</b>				
At 31 March 2007	88,694	20,797	124,197	233,688
At 31 March 2006	114,062	34,496	163,267	311,825

### 8 Debtors

	2007 £	2006 £
Amounts owed by group undertakings	5,254,564	18,588,770
Other debtors	-	221,211
Prepayments	75,832	43,028
Deferred tax asset (Note 6)	9,088	7,679
	<u>5,339,484</u>	<u>18,860,688</u>

### 9 Creditors: amounts falling due within one year

	2007 £	2006 £
Amounts owed to group undertakings	818,209	4,292,994
Accruals and deferred rent payable	319,297	220,828
Corporation tax payable	815,142	314,038
	<u>1,952,648</u>	<u>4,827,860</u>

# Ruesch International Limited

## Notes to the financial statements Year ended 31 March 2007

### 10 Called up share capital

	2007 £	2006 £
Authorised, allotted and fully paid 100 ordinary shares called up at £1 each	<u>100</u>	<u>100</u>

### 11. Profit and loss account

	2007 £	2006 £
At 1 April	14,428,358	10,755,211
Dividend distribution	(14,428,358)	-
Profit for the year	<u>3,778,281</u>	<u>3,673,147</u>
At 31 March	<u>3,778,281</u>	<u>14,428,358</u>

### 12 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit for the year	3,778,281	3,673,147
Dividend distribution	(14,428,358)	-
Opening shareholders' funds	<u>14,428,358</u>	<u>10,755,211</u>
Closing shareholders' funds	<u>3,778,281</u>	<u>14,428,358</u>

### 13. Financial commitments

The payments, which the company is committed to make in the next year under operating leases, are as follows

	2007 £	2006 £
Leases on land and buildings expiring in		
Within one year	176,000	95,822
Two to five years	<u>432,667</u>	<u>608,667</u>
	<u>608,667</u>	<u>704,489</u>



# Ruesch International Limited

## Notes to the financial statements Year ended 31 March 2007

### 14 Reconciliation of operating profit to net cash inflow from operating activities

	2007 £	2006 £
Operating profit	5,425,292	5,202,791
Depreciation	88,390	79,308
Decrease/(increase) in debtors	13,521,204	(3,299,953)
Decrease in creditors	(3,376,316)	(198,384)
<b>Net cash inflow from operating activities</b>	<b>15,658,570</b>	<b>1,783,762</b>

### 15 Analysis and reconciliation of net funds

	At 1 April 2006 £	Cash flow £	At 31 March 2007 £
Cash at bank and in hand	83,805	74,052	157,857

	At 1 April 2005 £	Cash flow £	At 31 March 2006 £
Cash at bank and in hand	37,961	45,844	83,805

### 16 Related party transactions

No disclosure has been made of transactions with group undertakings due to the exemption granted under FRS 8(17) to undertakings where 90% or more of the voting rights are controlled within the group. There were no transactions with other related parties in the current or prior year.

### 17. 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 risk and liquidity risk. These risks are mitigated by the fact that all settlements take place through the centralised system operated by management at the group level which manages currency risk for all its component entities by maintaining a sufficient balance of principal currencies, executing currency forward contracts and continuous review of the currency requirements on a regular basis.

## **Ruesch International Limited**

### **Notes to the financial statements Year ended 31 March 2007**

#### **18. Subsequent event**

On March 25, 2007, the company's parent, RHI entered into an agreement with Travelex for Travelex to acquire RHI and its wholly owned subsidiaries. The acquisition received all regulatory and antitrust approvals and was completed on 5 September 2007.

#### **19. Ultimate parent company**

The ultimate parent undertaking and parent of the smallest group and of the largest group into which the company is consolidated is RHI, a company incorporated in the United States of America. Copies of the accounts of RHI are available from Whitebrook Park, Lower Cookham Road, Maidenhead, Berkshire SL6 8XY.