

**Company Registration No. 3257901**

**SIX Card Solutions UK Ltd**

**Report and Financial Statements**

**31 December 2010**



# **SIX Card Solutions UK Ltd**

## **Report and financial statements 2010**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>4</b>
<b>Independent auditors' report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9</b>

---

---

# **SIX Card Solutions UK Ltd**

## **Report and financial statements 2010**

### **Officers and professional advisers**

#### **Directors**

Felix Georg Aeschlimann  
Michele Ferraris  
Thomas Mirko Oberholzer

#### **Secretary**

Thomas Mirko Oberholzer

#### **Bankers**

Lloyds TSB Bank plc  
Butler Place  
London SW1H 0PR

#### **Solicitors**

Eversheds  
Senator House  
85 Queen Victoria Street  
London EC4V 4JL

#### **Registered office**

Regal House  
70 London Road  
Twickenham  
Middlesex TW1 3QS

#### **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

## **SIX Card Solutions UK Ltd**

### **Directors' report**

The directors present their annual report and the audited financial statements for SIX Card Solutions UK Limited (the 'company') for the year ended 31 December 2010

#### **Principal activities**

The principal activities of the company continue to be credit card/charge card car parking services and integrated Transac credit card/charge card handling business

#### **Review of business and future developments**

The directors are satisfied with the progress of the business and hope to see an improvement in trading next year

#### **Results and dividends**

The profit and loss account for the year is set out on page 7 The company's profit for the current financial year is £360,118 (2009 Profit of £524,603)

A dividend was paid in the year for an amount of £200,000 (2009 £nil)

#### **Directors and their interests**

The directors who held office during the year and at the year end are listed on page 1

None of the directors had beneficial interests in the share capital of the company during the year ended 31 December 2010

## SIX Card Solutions UK Ltd

### Directors' report

#### Auditors

Each of the persons who were a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware and
- having made enquiries of fellow directors and the company's auditors, the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Ernst & Young LLP has expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

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

Michele Ferraris  
Director

7 June 2011



# SIX Card Solutions UK Ltd

## 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. The directors have elected to prepare the financial statements in accordance with UK GAAP. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them,
- 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, 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

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

## **Independent auditors' report to the members of SIX Card Solutions UK Ltd**

We have audited the financial statements of SIX Card Solutions UK Ltd for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

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

As explained more fully in the Directors' Responsibilities Statement set out on Page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matters prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all of the information and explanations we require for our audit

*Ernst & Young LLP*

Andy Bates (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

22 June 2011

## SIX Card Solutions UK Ltd

### Profit and loss account For the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover	3	2 493 166	1 984 291
Cost of sales		(1 634,405)	(1 587 419)
<b>Gross profit</b>		<b>858 761</b>	<b>396 872</b>
Other income		289,258	386,636
Administrative expenses		(651 361)	(350 666)
<b>Operating profit</b>	4	<b>496 658</b>	<b>432 842</b>
Interest receivable and similar income	6	15 571	10,551
<b>Profit on ordinary activities before taxation</b>		<b>512 229</b>	<b>443 393</b>
Tax on profit on ordinary activities	13	(152,111)	81,210
<b>Retained profit for the financial year</b>	11	<b>360 118</b>	<b>524 603</b>

The above results were derived entirely from continuing operations

The company has no recognised gains or losses for either period other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

# SIX Card Solutions UK Ltd

## Balance sheet At 31 December 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	7	-	17,509
<b>Current assets</b>			
Debtors	8	1,335,328	1,588,639
Cash at bank and in hand		1,839,965	856,004
		3,175,293	2,444,643
<b>Creditors: amounts falling due within one year</b>	9	(2,156,393)	(1,603,370)
<b>Net current assets</b>		1,018,900	841,273
<b>Net assets</b>		1,018,900	858,782
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	1,018,898	858,780
		1,018,900	858,782

These financial statements were approved by the Board of Directors on 7 June 2011

Signed on behalf of the Board of Directors

Michele Ferraris  
Director  
7 June 2011



# SIX Card Solutions UK Ltd

## Notes to the financial statements Year ended 31 December 2010

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with applicable United Kingdom accounting standards and on a going concern basis. The particular accounting policies adopted are described below.

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. The company has received a guarantee from its immediate parent company, SIX Card Solutions Luxembourg S A, in respect of any claims which arise in respect of certain past transactions.

#### Turnover

Turnover, which excludes value added tax and trade discounts, represents the value of Transac and car parking commission, all of which are earned through charge and credit cards.

#### Fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery – 20% per annum

The company reviews the economic useful life of fixed assets on an annual basis to ensure that the carrying values do not exceed the recoverable amount, being the higher of net realisable values and values in use.

#### Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

#### Trade debtors

Trade debtors are held at cost less any provision for doubtful debts. The provision for doubtful debts is calculated by estimating the non-recoverable amounts of debtors that are in arrears or have defaulted. This estimation is based upon historic loss rates for similar accounts and management's assessment of the likely recovery on each debtor.

#### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax assets and liabilities in accordance with FRS 19, using full provision accounting, when an event has taken place by the balance sheet date which gives rise to an increased or reduced tax liability in the future.

### 1. Accounting policies (continued)

#### Taxation (continued)

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax assets are recognised only to the extent that they are regarded as recoverable.

#### Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### 2. Cash flow statement and related party disclosures

Under FRS 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking which is included in publicly available group financial statements prepared by its ultimate parent undertaking. The company has also taken advantage of the exemption available under FRS 8 not to disclose transactions with fellow group undertakings.

#### 3. Turnover

Turnover was derived from the principal activities of the company and arose solely in the United Kingdom.

#### 4. Operating profit

This is stated after charging

	2010	2009
	£	£
Auditors' remuneration – audit services	19,000	19,000
Depreciation of tangible fixed assets	17,509	5,980
Operating lease charges – other	16,618	7,606

The remuneration of the company's auditors for provision of non-audit taxation services to the company was £11,700 (2009: £9,500).

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

#### 5. Staff costs

The payroll costs are allocated between cost of sales and administrative expense to reflect the nature of the activity undertaken. During 2010 £488,403 (2009 £388,508) has been allocated to costs of sales and £77,687 (2009 £72,436) to administrative expense. These costs include:

	2010 £	2009 £
Wages and salaries	476,366	382,690
Social security costs	54,972	48,163
Insurances	10,455	4,839
Pension	24,297	25,252
	<u>566,090</u>	<u>460,944</u>

The monthly average number of persons employed by the company during the year was as follows:

	2010 No.	2009 No.
Sales and Operations	1	1
Technical	4	4
Business Management	2	2
	<u>7</u>	<u>7</u>

The directors did not receive any remuneration in respect of their services to the company during the period (2009 £nil). No directors were members of company pension schemes and the company made no pension contributions in respect of directors' qualifying services (2009 £nil).

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

#### 6 Interest receivable and similar income

	2010 £	2009 £
Bank interest	3 811	2,852
Loan interest	11,760	7,699
Total interest receivable and similar income	<u>15 571</u>	<u>10 551</u>

#### 7. Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
At 1 January and 31 December 2010	149,975
<b>Accumulated depreciation</b>	
At 1 January 2010	132,466
Charge for the year	<u>17,509</u>
At 31 December 2010	<u>149,975</u>
<b>Net book value</b>	
At 31 December 2010	<u>-</u>
At 31 December 2009	<u>17,509</u>

#### 8. Debtors, amounts falling due within one year

	2010 £	2009 £
Trade debtors	433,684	428,254
Amount owed by group undertakings	830 063	1,065,417
Deferred tax asset	59 505	86 205
Prepayments and accrued income	<u>12,076</u>	<u>8 763</u>
	<u>1 335 328</u>	<u>1,588,639</u>

Amounts owed by group undertakings are unsecured, interest bearing and are repayable on demand

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

#### 9. Creditors' amounts falling due within one year

	2010 £	2009 £
Trade creditors	1,665,434	1,358,271
Taxation and social security	228,345	162,027
Corporation tax	123,131	4,995
Accruals and deferred income	139,483	78,077
	<u>2,156,393</u>	<u>1,603,370</u>

Amounts owed to group undertakings are unsecured, interest bearing and are repayable on demand

#### 10 Issued share capital

	2010 £	2009 £
<b>Authorised:</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Called up, allotted and fully paid</b>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

#### 11. Retained profit for the financial year

	2010 £
At 1 January 2010	858,780
Profit for the financial year	360,118
Dividend	<u>(200,000)</u>
At 31 December 2010	<u>1,018,898</u>

#### 12. Reconciliation of shareholders' funds

	2010 £	2009 £
Shareholders' funds at 1 January 2010	858,782	334,179
Profit for the financial year	360,118	524,603
Dividend	<u>(200,000)</u>	<u>-</u>
Shareholders' funds at 31 December 2010	<u>1,018,900</u>	<u>858,782</u>

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

#### 13. Tax

a) Tax on profit on ordinary activities	2010	2009
	£	£
The charge comprises		
Current tax		
UK corporation tax at 28%	127,179	4,722
Adjustment in respect of previous period	(1,768)	273
Total current tax	<u>125,411</u>	<u>4,995</u>
Deferred tax		
Originating and reversal of timing difference	24,496	(86,205)
Effect of decreased tax rate on closing asset	2,204	-
Total deferred tax	<u>26,700</u>	<u>(86,205)</u>
Tax charge/(credit) on profit on ordinary activities	<u>152,111</u>	<u>(81,210)</u>

#### b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are explained below

	2010	2009
	£	£
Profit on ordinary activities before tax	<u>512,229</u>	<u>443,393</u>
Expected tax charge at 28%	143,424	124,150
Effects of		
Expenses not deductible for tax purposes	6,484	834
Depreciation in excess of capital allowances	(10,524)	1,674
Other timing differences	(1,600)	-
Adjustment in respect of prior period	(1,768)	273
Utilisation of brought forward losses	(10,605)	(121,936)
Total current tax charge	<u>125,411</u>	<u>4,995</u>

#### c) Factors that may affect future tax charges

Legislation was introduced in Finance (No 2) Act 2010, published on 29 July 2010 to reduce the main rate of UK corporation tax from 28% to 27% with effect from 1 April 2011. The effect of this reduction is reflected in the deferred tax assets and liabilities recorded on the balance sheet. On 23 March 2011 the UK government announced that the rate from 1 April 2011 would fall by a further 1% to 26%.

## SIX Card Solutions UK Ltd

### Notes to the financial statements Year ended 31 December 2010

#### 13. Tax (continued)

##### c) Factors that may affect future tax charges (continued)

This change in rate has not been reflected in the value of the deferred tax assets and liabilities since the legislation introducing this rate has not been substantively enacted at the balance sheet date. The UK government has also announced its intention to legislate to reduce the rate further by 1% per annum falling to 23% with effect from 1 April 2014. The impact on the Company's assets arising from the reduction of the rate will be effected as the legislation is substantively enacted.

##### d) Deferred tax

In accordance with FRS 19 "Deferred Tax" a deferred tax asset has been recognised in the financial statements as there is sufficient certainty that suitable taxable profits will arise against which these timing differences can reverse.

Deferred tax included in the balance sheet is as follows

	2010	2009
	£	£
Included in debtors (Note 8)	59,505	86,205
Total deferred tax	<u>59,505</u>	<u>86,205</u>
Accelerated capital allowances	59,500	86,205
Total deferred tax	<u>59,500</u>	<u>86,205</u>
At 1 January 2010	86,205	-
Deferred tax (Charge)/ credit in profit and loss account	<u>(26,700)</u>	<u>86,205</u>
At 31 December 2010	<u>59,505</u>	<u>86,205</u>

#### 14 Capital and other commitments

There were no capital commitments at the end of the financial year (2009: £nil).

Annual commitments under non-cancellable operating leases, none of which are in relation to land and buildings, are as follows

	2010	2009
	£	£
<b>Operating leases which expire:</b>		
Within one year	16,618	7,606
In the second to fifth years	-	-
After five years	-	-
	<u>16,618</u>	<u>7,606</u>

## **SIX Card Solutions UK Ltd**

### **Notes to the financial statements Year ended 31 December 2010**

#### **15. Post balance sheet events**

There have been no other events that have had a significant effect on the financial statements since 31 December 2010

#### **16. Ultimate parent undertaking**

The company's immediate parent company is SIX Card Solutions Luxembourg S A

Until 18 September 2007, the ultimate parent company and controlling party was Tele2 AB, a company incorporated in Sweden. On 19 September 2007, SIX Group Ltd, a company incorporated in Switzerland, purchased the company and its immediate parent and became the ultimate parent undertaking. SIX Group Ltd is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of the group financial statements for SIX Group Ltd are available from its registered office Postfach Hardturmstrasse 201 CH 8021 Zurich Switzerland