

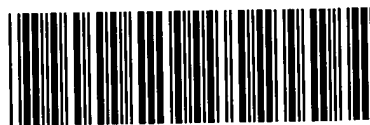
Company Registration No. 03257901

SIX Payment Services UK Ltd

Report and Financial Statements

31 December 2014

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SIX Payment Services UK Ltd

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SIX Payment Services UK Ltd

Officers and professional advisers

Directors

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

Directors' report

The directors present their annual report and the audited financial statements for SIX Payment Services UK Ltd (the "company") for the year ended 31 December 2014.

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.

The company is a wholly owned subsidiary of SIX Payment Services Luxembourg S.A. The ultimate parent and controlling party is SIX Group Ltd.

Review of business and future developments

The directors are satisfied with the progress of the business and hope to see an improvement in trading in the next financial 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 £186,476 (2013: £112,403). No dividend was paid in the year 2014 (2013: £500,000).

Principal risks and uncertainties

The principal risks affecting the business are set out below.

Competitive risks

The company operates in a competitive market which is a continuing risk to the company and could result in losing sales to its key competitors. The company manages this risk by providing strong core product together with sales of terminal and processing to its customers and by providing excellent customer service.

Exchange rate risk

The vast majority of the company's trade debtors and creditors are denominated in Sterling. The majority of transactions with group companies in Luxembourg are denominated in Sterling although the company is exposed to transactions in EUR from other group companies. Thus, the company's exposure to exchange rate risk is not considered significant.

Cash flow risk

The company's operations are fully financed from cash reserves, allowing our short term liabilities to be financed from our cash base with no need for external borrowing.

Exposure to price, credit and liquidity risk

The company does not hold any financial instruments and so has little or no exposure to price risk. Credit risk for the company arises only on trade debts arising in the normal course of business. The risk is limited since billing is generally quarterly in advance and the company has the sanction of discontinuing the service in the event of non-payment.

The company holds sufficient cash reserves and so there is no significant liquidity risk.

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 2014. There are no directors' interests requiring disclosure under the Companies Act 2006.

Directors' report (continued)**Company Secretary**

Thomas Mirko Oberholzer continued to act as the company secretary for the year ended 31 December 2014.

Going concern

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. In assessing the appropriateness of the going concern basis, the directors have taken into account all relevant information available covering a period of at least twelve months from the date of approval of the financial statements.

Events after Balance Sheet date

The directors confirm that there were no significant events occurring after the Balance Sheet date, up to the date of this report, that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2014.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Directors' statement as to the disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Strategic report

In accordance with section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2014, the company has taken the exemption not to prepare a strategic report as the company qualifies as a small company in accordance with sections 382(2) and 382(3) of the Companies Act 2006. In the current year and in the prior year, the company's turnover was not more than £5,600,000 and the number of employees was not more than 50.

Approval

The Directors' Report was approved by the Board of Directors on 2 April 2015.

Signed on behalf of the Board of Directors

Michele Ferraris
Director
Date: 2 April 2015



SIX Payment Services UK Ltd

Statement of directors' responsibilities in respect of 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, 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 then apply them consistently;
- make judgements and accounting 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 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.

Independent auditors' report

to the member of SIX Payment Services UK Ltd.

We have audited the financial statements of SIX Payment Services UK Ltd. for the year ended 31 December 2014 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 member, 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 member 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

As explained more fully in the Statement of Directors' Responsibilities 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications in our report.

Opinion on 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 2014 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 matter 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.

Independent auditors' report (continued)

to the members of SIX Payment Services UK Ltd.

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 the information and explanations we require for our audit.

Ernst & Young LLP

Janet Leslie (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date : 12 May 2015

Profit and loss account
Year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	3	3 753 999	3 392 712
Cost of sales		(2 590 645)	(2 330 701)
Gross profit		1 163 354	1 062 011
Other income		100 824	116 245
Administrative expenses		(1 045 044)	(1 045 722)
Operating profit	4	219 134	132 534
Interest receivable and similar income	6	19 900	13 145
Profit on ordinary activities before taxation		239 034	145 679
Tax on profit on ordinary activities	13	(52 558)	(33 276)
Profit on ordinary activities after taxation	11	186 476	112 403

The notes on pages 9 to 16 form an integral part of these financial statements.

The profit in the current year and in the prior year were derived from continuing operations.

The company has no recognised gains or losses for either period other than the profit above; accordingly, no separate statement of total recognised gains and losses has been presented. A reconciliation of the movements in equity shareholder's funds has been prepared in note 12 to the financial statements.

Balance sheet
31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	7	284 007	229 390
		<hr/>	<hr/>
Current assets			
Debtors: amounts falling due within one year	8	2 325 216	1 350 428
Cash at bank and in hand		59 640	2 336 355
		<hr/>	<hr/>
		2 384 856	3 686 783
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	(2 190 968)	(3 624 754)
		<hr/>	<hr/>
Net current assets		193 888	62 029
		<hr/>	<hr/>
Net assets		<u>477 895</u>	<u>291 419</u>
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	477 893	291 417
		<hr/>	<hr/>
Equity Shareholder's funds		<u>477 895</u>	<u>291 419</u>
		<hr/>	<hr/>

The notes on pages 9 to 16 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 2 April 2015.

Signed on behalf of the Board of Directors

Michele Ferraris
 Director
 Date: 2 April 2015



SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

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 Generally Accepted Accounting Practice ("UK GAAP") and on a going concern basis. The particular accounting policies adopted are described below.

Going concern

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 letter of support from its immediate parent company, SIX Payment Services Luxembourg S.A., in respect of any claims which may arise in respect of certain past transactions.

Turnover

Turnover, which excludes valued added tax and trade discounts, represents the value of Transac and car parking commission, all of which are earned through charge and credit cards. Turnover is recognised on an accruals basis.

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
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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.

Pension costs

The company operates a defined contribution pension scheme. Contributions are charged in the Profit and Loss Account as they become payable in accordance with the rules of the scheme.

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

1. Accounting policies (continued)

Taxation

Current taxation is based on the taxable profit for the year and is provided at amounts expected to be paid using the tax rates and laws that have been enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more or a right to pay less or to receive more tax. Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date.

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 to Pound Sterling 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 Financial Reporting Standards ("FRS") 1 'Cash flow statement (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 consolidated financial statements prepared by its ultimate parent undertaking.

The company is 100% owned by its parent undertaking and as such has taken advantage of the exemption available under FRS 8 'Related party disclosures' not to disclose transactions with other wholly owned group companies.

3. Turnover

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

Included within turnover is £336,000 (2013: £305,393) of development services that were recharged in the current year.

4. Operating profit

This is stated after charging:

	2014 £	2013 £
Staff costs (note 5)	1,183,248	871,308
Auditors' remuneration - audit services: audit of the company's financial statements	20,502	16,000
Auditors' remuneration - audit services: taxation compliance services	10,900	14,100
Depreciation of tangible fixed assets (note 7)	153,387	91,340
Operating lease charges - other	47,543	32,625

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

5. Staff costs

The payroll costs are allocated between cost of sales and administrative expense to reflect the nature of the activity undertaken. During 2014, £1,183,248 (2013: £871,308) has been allocated to costs of sales and £6,000 (2013: £4,000) to administrative expenses.

The staff costs included within cost of sales is as follows:

	2014 £	2013 £
Wages and salaries	987,195	731,804
Social security costs	122,490	88,517
Insurances	30,010	19,513
Pension costs	43,553	31,474
	<u>1,183,248</u>	<u>871,308</u>

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

	2014 No.	2013 No.
Sales	3	2
Marketing	3	-
Technical Development	4	6
Business Management	2	2
	<u>12</u>	<u>10</u>

The directors' remuneration for the year was £168,000 (2013: £168,000) in respect of their services to the company. The directors' remuneration is paid by SIX Payment Services Luxembourg S.A. No directors were members of company's pension schemes and the company made no pension contributions in respect of directors' qualifying services (2013: £nil).

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

6. Interest receivable and similar income

	2014 £	2013 £
Bank interest	2,775	3,517
Loan interest	17,125	9,628
	<u>19,900</u>	<u>13,145</u>

7. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2014	364,353
Additions in the year	208,003
At 31 December 2014	<u>572,356</u>
Accumulated depreciation	
At 1 January 2014	134,962
Charge for the year	153,387
At 31 December 2014	<u>288,349</u>
Net book value	
At 31 December 2014	<u>284,007</u>
At 31 December 2013	<u>229,390</u>

8. Debtors: amounts falling due within one year

	2014 £	2013 £
Amount owed by group undertakings	1,722,258	756,593
Trade debtors	414,504	509,228
Corporation tax	56,470	58,724
Prepayments and accrued income	131,984	25,883
	<u>2,325,216</u>	<u>1,350,428</u>

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

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

9. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	1,657,378	3,183,398
Other taxation and social security	327,937	278,491
Accruals and deferred income	184,128	160,009
Deferred tax liability	21,525	2,856
	<u>2,190,968</u>	<u>3,624,754</u>

10. Called up share capital

	2014 £	2013 £
Authorised:		
100 (2013: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and fully paid		
2 (2013: 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. Retained profit for the financial year

	2014 £	2013 £
At 1 January	291,417	679,014
Profit for the financial year	186,476	112,403
Dividend	-	(500,000)
	<u>477,893</u>	<u>291,417</u>
Retained profit at 31 December		

12. Reconciliation of movements in shareholder's funds

	2014 £	2013 £
Shareholder's funds at 1 January	291,419	679,016
Profit for the financial year	186,476	112,403
Dividend	-	(500,000)
	<u>477,895</u>	<u>291,419</u>
Shareholder's funds at 31 December		

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

13. Taxation

a) Tax on profit on ordinary activities

	2014 £	2013 £
The tax charge is made up as follows:		
<i>Current tax</i>		
UK corporation tax at 21.49 (2013: 23.25%)	33,185	5,776
Adjustment in respect of previous period	706	(5,012)
Total current tax	33,891	764
<i>Deferred tax</i>		
Originating and reversal of timing difference	20,061	33,248
Effect of decreased tax rate on closing deferred tax liability/asset	(1,394)	(736)
Total deferred tax	18,667	32,512
Tax charge on profit on ordinary activities	52,558	33,276

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 21.49 (2013: 23.25%). The differences are reconciled below:

	2014 £	2013 £
Profit on ordinary activities before tax	239,034	145,679
Profit on ordinary activities multiplied by the standard rate of corporation tax 21.49% (2013: 23.25%)	51,376	33,870
Effects of:		
Expenses not deductible for tax purposes	557	463
Depreciation in excess of capital allowances	(20,061)	(28,558)
Other timing differences	-	-
Adjustment in respect of prior period	706	(5,012)
Other	1,313	-
Total current tax charge (note 13(a))	33,891	146,194

c) Factors that may affect future tax charges

The Finance Bill 2013 was substantively enacted on 17 July 2013. The reduction in the standard corporation tax rate from 23% to 21% was effective from 1 April 2014, with a subsequent 1% reduction to 20% effective from 1 April 2015.

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

d) Deferred tax

Deferred tax included in the balance sheet is as follows:

	2014 £	2013 £
Accelerated capital allowances	(21,525)	(2,858)
Total deferred tax (liability)/asset (notes 8 and 9)	<u>(21,525)</u>	<u>(2,858)</u>
At 1 January	(2,858)	29,654
Deferred tax charge in Profit and Loss Account (note 13(a))	<u>(18,667)</u>	<u>(32,512)</u>
At 31 December	<u>(21,525)</u>	<u>(2,858)</u>

Under UK GAAP, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

14. Capital and other commitments

There were no capital commitments at the end of the financial year (2013: £nil).

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

	2014 £	2013 £
Operating leases which expire:		
Within one year	<u>47,543</u>	<u>32,625</u>
	<u>47,543</u>	<u>32,625</u>

SIX Payment Services UK Ltd

Notes to the financial statements Year ended 31 December 2014

15. Post balance sheet events

There were no significant events occurring after the Balance Sheet date that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2014.

16. Ultimate parent undertaking

The company's immediate parent company is SIX Payment Services Luxembourg S.A., a company incorporated in Luxembourg.

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 company. SIX Group Ltd has included the company in its group financial statements. This is the smallest and largest group in which the company's results are consolidated

The group financial statements of SIX Group AG are available to the public from SIX Group Ltd, Postfach Hardturmstasse 201 CH 8021 Zurich Switzerland.