Company Registration No. 03909745 (England and Wales)

EBIX EUROPE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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EBIX EUROPE LIMITED

COMPANY INFORMATION

Directors	Mr R Raina Mr G J Prior
Company number	03909745
Registered office	4th Floor Dashwood House 69 Old Broad Street London EC2M 1QS
Auditors	Carter Backer Winter LLP 66 Prescot Street London E1 8NN

EBIX EUROPE LIMITED

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EBIX EUROPE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES
The principal activity of the company continues to be the provision of professional and consulting services, design, development, maintenance and marketing of electronic trading service for the global insurance and reinsurance industries.

The company is a wholly owned subsidiary of Ebix Singapore PTE Limited, a company incorporated in Singapore, and Ebix Inc., a company incorporated in the United States is the ultimate parent company.

Review of the business
Turnover for the year increased to £5.53 million from £3.11 million in the previous year and the profit for the year increased to £2.516 million from a previous year of £0.644 million. Part of this increase is attributable to the absorbed company from 2014 having a full 12 months trading as opposed to the 4 months represented in the previous year's accounts.

The number of individual users of the various services has remained relatively static during the year.

The most significant event in the year in terms of potential for growth was the signing of a major global broking firm for the provision of an electronic accounting platform for some 1,200 of their underwriting company trading partners. This high-profile project will help secure Ebix Europe's position as the premier vendor of electronic trading services to the global insurance and reinsurance industries and has led to increased revenue and significant opportunity growth into 2016.

The directors are not aware of any significant developments or factors which will have a major impact on the future success of the business.

On behalf of the board

.....
Mr R Rana
Director
28/07/2016

EBIX EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities
The principal activity of the company in the year under review was that of the provision of professional and consulting services, design, development, maintenance and marketing of electronic trading service of the global insurance and reinsurance industries.

Results and dividends
The results for the year are set out on page 6.
No dividends will be distributed for the year ended 31 December 2015.

Directors
The directors, who served throughout the year except as noted, were as follows:

Mr R Raina
Mr G J Prior

Auditors
The auditors, Carter Backer Winter LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

Statement of disclosure to auditors

Each director in office at the date of approval of this annual 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
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

.....

Mr R Raina

Director

28/07/2016

EBIX EUROPE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EBIX EUROPE LIMITED

We have audited the financial statements of Ebix Europe Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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, 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 Annual Report 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 for 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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Strategic Report and 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 the information and explanations we require for our audit.

Carter Backer Winter LLP

Jonathan Cross (Senior Statutory Auditor)
for and on behalf of Carter Backer Winter LLP

12 August 2016

Chartered Accountants
Statutory Auditor

66 Prescot Street
London
E1 8NN

EBIX EUROPE LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Revenue	4	5,527	3,110
Cost of sales		(428)	(216)
Gross profit		5,099	2,894
Other operating income		605	518
Administrative expenses		(3,189)	(2,768)
Operating profit	5	2,515	644
Investment revenues	8	1	-
Profit before taxation		2,516	644
Income tax expense		-	-
Profit for the year	17	2,516	644

The income statement has been prepared on the basis that all operations are continuing operations.

EBIX EUROPE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £'000	2014 £'000
Profit for the year	2,516	644
Other comprehensive income for the year	-	-
Total comprehensive income for the year	2,516	644

EBIX EUROPE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Non-current assets			
Intangible assets	10	1,866	-
Property, plant and equipment	11	276	330
		2,142	330
Current assets			
Trade and other receivables	12	2,824	2,135
Cash and cash equivalents		1,612	729
		4,436	2,864
Total assets		6,578	3,194
Current liabilities			
Trade and other payables	14	3,242	2,374
Net current assets		1,194	490
Total liabilities		3,242	2,374
Net assets		3,336	820
Equity			
Called up share capital	15	27,829	27,829
Share premium account	16	8,393	8,393
Retained earnings	17	(32,886)	(35,402)
Total equity		3,336	820

The financial statements were approved by the Board of directors and authorised for issue on 28/07/2016
Signed on its behalf by:

Mr R Raina
Director

Company Registration No. 03909745

EBIX EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Share premium account	Retained earnings	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2014	27,829	8,393	(36,046)	176
Profit for the year	-	-	644	644
Total comprehensive income for the period	-	-	644	644
Balance at 31 December 2014	27,829	8,393	(35,402)	820
Profit for the year	-	-	2,516	2,516
Total comprehensive income for the period	-	-	2,516	2,516
Balance at 31 December 2015	27,829	8,393	(32,886)	3,336

EBIX EUROPE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Cash generated from operations	23		2,755		413
Net cash inflow from operating activities			2,755		413
Investing activities					
Purchase of intangible assets		(1,866)		-	
Purchase of property, plant and equipment		(7)		-	
Interest received		1		-	
Net cash used in investing activities			(1,872)		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			316		413
Cash and cash equivalents at beginning of year			413		316
Cash and cash equivalents at end of year			1,612		316

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, (except as otherwise stated).

The financial statements have been prepared on the historical cost basis.

Functional and presentational currency

The financial statements are presented in GB pounds (£), which is the company's functional currency and all values are rounded to the nearest thousand (£'000) except where otherwise indicated.

1.2 Revenue

The revenue from membership and licence fees invoiced in advance is initially deferred and then recognised in the period to which it relates. Revenue from transaction fees crystallise upon the earlier of the inception date of the contract to which it relates, or the date of acceptance, and is recognised when invoiced retrospectively. Revenue from development project fees invoiced in advance is recognised over the anticipated period of delivery, whilst the balance is invoiced and recognised upon completion of the project.

1.3 Property, plant and equipment

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the assets. The cost of self-constructed assets include the cost of material and direct labour, any other costs directly attributable to bringing the assets to working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvement	Over the period of the lease
Furniture and fixtures	3 years straight line
Office and computer equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.4 Intangible assets

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development Costs:	Over the life of the contract

1 Accounting policies (Continued)

1.5 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

1 Accounting policies (Continued)

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.11 Employee benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's scheme are charged to the income statement in the period to which they relate.

1 Accounting policies (Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Foreign Currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

1.14 Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Adoption of new and revised standards and changes in accounting policies

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9	Financial Instruments (effective 1 January 2018)
IFRS 14	Regulatory Deferral Accounts (effective 1 January 2016)
IFRS 15	Revenue from Contracts with Customers (effective 1 January 2018)
IFRS 16	Leases (effective 1 January 2019)
Amendments to IFRS 11	
Amendments to IAS 13 and IAS 36	
Amendments to IAS 16 and IAS 41	

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

4 Revenue

An analysis of the company's revenue is as follows:

	2015 £'000	2014 £'000
Income: (ex Ebix TriSystems)	1,662	1,943
Income: (ex Qatarlyst)	2,835	1,153
Income: eGlobal	30	14
Income: PPL	1,000	-
	5,527	3,110

Other income

	2015 £'000	2014 £'000
Other operating income	605	518
Interest income	1	-
	606	518

Other operating income arises from the sub-lease of the rented property. Since this is not considered to be part of the main revenue generating activities, the company presents this income separately from normal revenue.

Additionally, the other operating income includes £353,104 (2014: £293,391) from Singapore in relation to the 2013 restructuring.

5 Profit for the year

	2015 £'000	2014 £'000
Profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	18	16
Depreciation of property, plant and equipment	61	96
Loss on disposal of property, plant and equipment	-	43
Cost of inventories recognised as an expense	428	216
Staff costs	913	1,111

6 Employees

The average monthly number of employees (including non-executive directors) were:

	2015 Number	2014 Number
	30	16

Their aggregate remuneration comprised:

Employment costs	2015 £'000	2014 £'000
Wages and salaries	668	976
Social security costs	231	116
Pension costs	14	19
	913	1,111

7 Retirement benefit schemes

Defined contribution schemes
The total costs charged to income in respect of defined contribution plans is £14,000 (2014 - £19,000).

8 Investment income

	2015 £'000	2014 £'000
Interest income		
Bank deposits	1	-

Total interest income for financial assets that are not held at fair value through profit or loss is £682 (2014 - £-).

9 Income Tax

No liability to UK corporation tax arose on ordinary acitivities for the year ended 31 December 2015 nor for the year ended 31 December 2014

The company has trading losses of £24,053,392 (2014: £26,538,712) to be carried forward against profits in future years.

This gives rise to a deferred tax asset of £4,810,678 (2014: £5,307,544) however this has not been recognised in the accounts due to the uncertainty surrounding the timing of future profits.

10 Intangible assets

	Development costs £'000
Cost	
Additions	1,866
At 31 December 2015	1,866
Carrying amount	
At 31 December 2015	1,866

These development costs are in relation to software that was developed during the year which has been licensed on a five year agreement commencing in 2016.

At 31 December 2015, the development costs were being carried at historic cost. Amortisation will start to be charged next year when the licence comes into effect. Amortisation will be charged over the five year term of the licence,

11 Property, plant and equipment

	Leasehold improvement	Furniture and fixtures	Office and computer equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2014	511	145	574	1,230
Additions	-	-	17	17
Disposals	-	-	(465)	(465)
At 31 December 2014	511	145	126	782
Additions	3	3	1	7
At 31 December 2015	514	148	127	789
Accumulated depreciation/impairment				
At 1 January 2014	138	119	521	778
Charge for the year	52	26	18	96
Eliminated on disposal	-	-	(422)	(422)
At 31 December 2014	190	145	117	452
Charge for the year	52	1	8	61
At 31 December 2015	242	146	125	513
Carrying amount				
At 31 December 2015	272	2	2	276
At 31 December 2014	321	-	9	330
At 31 December 2013	373	26	53	452

12 Trade and other receivables

	Current	
	2015	2014
	£'000	£'000
Trade receivables	1,182	1,106
Other receivables	355	491
Amounts due from subsidiary undertakings	-	100
Prepayments and accrued income	1,287	438
	2,824	2,135

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

14 Trade and other payables

	Current	
	2015	2014
	£'000	£'000
Trade payables	159	195
Amount due to parent undertaking	1,065	177
Accruals	1,786	1,705
Other payables	232	297
	3,242	2,374

15 Share capital

	2015	2014
	£'000	£'000
Issued and fully paid		
27,829,220 Ordinary of £1 each	27,829	27,829

16 Share premium account

	£'000
At 1 January 2014	8,393
At 31 December 2014 & at 31 December 2015	8,393

17 Retained earnings

	£'000
At 1 January 2014	(36,046)
Profit for the year	644
At 31 December 2014	(35,402)
Profit for the year	2,516
At 31 December 2015	(32,886)

18 Operating leases commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Land and buildings	
	2015	2014
	£'000	£'000
Within one year	372	372
Between two and five years	1,490	1,490
In over five years	434	745
	2,296	2,607

At the reporting end date the company had contracted with tenants for the following minimum lease sublease payments:

	2015	2014
	£'000	£'000
Within one year	147	147
Between two and five years	588	588
In over five years	147	294
	882	1,029

19 Capital risk management

The company's activities expose it to a variety of financial risk including credit risk, liquidity risk and market risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. Risk management is earned out by the senior management under policies approved by the Board of Directors. The Board provides principle for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk, foreign exchange risk and interest rate risk.

(i) Credit risk

With respect to credit risk arising from the financial assets of the Company, including bank balances, the company's exposure to credit risk arising from default of the counterpart, with a maximum exposure equal to the carrying amount of these instruments credit control procedures and account reconciliations are used to manage the trade and other receivables, and bank balance.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2015 £'000	2014 £'000
Trade receivables	1,181	1,106
Other receivables	355	1,029
Bank balances	1,612	730

The ageing of trade receivables at the reporting date was:

	2015 £'000	2014 £'000
Not past due	715	396
Past due 0 – 30 days	322	442
Past due 31 – 90 days	89	151
Over 90 days	55	117

Impairment losses

There was no impairment in other receivables.

(ii) Liquidity risk

Trade payables are normally settled within 50 days or agreed terms from the date of purchase.

All financial liabilities will mature within 12 months from the end of the reporting period.

19 Capital risk management **(Continued)**

(iii) Market risk

a) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The company's foreign currency denominated receivables and payables are mainly denominated in USD and EUR. The total balance of the bank balance at 31 December 2015 was USD56,258 and EUR6,740.

The currency risk is mitigated by holding USD in a USD denominated bank account and converting to GBP when the exchange rate is favourable.

b) Interest rate risk

Interest rate risk reflects risk of a change in interest rates, which might affect future earnings. At 31 December 2015, the company did not have interest rate sensitive liabilities in the form of an interest bearing loan.

(iv) Equity price risk

The company is not exposed to equity risk since it does not hold any investment in equity instruments.

(v) Fair values

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties on an arm's length basis. Differences can therefore arise between the book values under the historical cost method and fair value estimates.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

The fair value of financial assets and liabilities is not materiality different from their carrying values at the reporting date.

The company is not subject to any externally imposed capital requirements.

20 Related party transactions

Related parties represent Ebix Singapore Pte Limited, the parent company, as well as Ebix Inc., the ultimate parent company. Ebix (Trisystems) Limited, which is currently in liquidation, is also owned by Ebix Singapore Pte Limited and therefore Ebix Inc. In addition, the directors and key management personnel of the group are also considered to be related parties. Pricing policies of these transactions are approved by the group's management.

Transactions with related parties

Management charges paid

	2015 £'000	2014 £'000
Parent company	328	-

Balances with related parties

	Amounts owed to related parties	
	2015 £'000	2014 £'000
Parent company	1,065	177
	1,065	177

	Amounts owed by related parties	
	2015 £'000	2014 £'000
Ebix (Trisystems) Limited	-	140
Qatar Insurance Services LLC	-	137
	-	277

The balance owed by Ebix (Trisystems) Limited included £nil (2014: £40,000) of accrued income.

21 Controlling party

The company is a wholly owned subsidiary of Ebix Singapore Pte Limited, a company incorporated in Singapore, which is a wholly owned subsidiary of Ebix Inc, a company incorporated in United States. Therefore Ebix Inc is the ultimate parent company.

There is no ultimate controlling party.

22 Capital Management

The company manages its capital structure and makes adjustments to it in light of changes in business conditions and shareholders' expectation. No changes were made in the objectives, policies or processes during the year ended 31 December 2015.

23 Cash generated from operations

	2015 £'000	2014 £'000
Profit for the year after tax	2,516	644
Adjustments for:		
Investment income recognised in profit or loss	(1)	-
(Gain)/loss on disposal of property, plant and equipment	-	43
Depreciation and impairment of property, plant and equipment	61	96
Movements in working capital:		
Increase in trade and other receivables	(689)	(890)
Increase in trade and other payables	868	537
Cash generated from operations	2,755	430