

Travelex Limited

Report and financial statements
for the year ended 31 December 2014

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Travelex Limited

Strategic report

for the year ended 31 December 2014

The Directors present their strategic report of Travelex Limited (the Company) for the year ended 31 December 2014.

Principal activities

The Company is an intermediate holding company and undertakes central services on behalf of the Travelex Group (the 'Group'). The Directors do not expect a change in the principal activities of the business in the immediate future.

Review of the business

The Company has focused on maintaining its cost base throughout the global economic downturn. The costs incurred by the treasury function during the year principally relate to interest, and these charges were in line with expectations.

The treasury function continues to manage the investments held by the Travelex Group and trading levels have been maintained despite difficult market conditions.

Results and dividends

The Company's loss for the financial year is £65,160,000 (2013: loss £28,054,000). The profit and loss account is set out on page 7 and shows the result for the year. The Company also reported net assets for the year to 31 December 2014 of £552,019,000 (2013: £619,943,000). No interim dividends were declared during the year and the Directors do not recommend the payment of a final dividend (2013: £nil).

Financial risk management

The management of the business and the execution of the Company's strategy are subject to a number of risks.

Liquidity risk

The settlement of spot and forward contract obligations requires adequate liquidity which is provided through intra-day settlement facilities.

Foreign currency risk

The Company conducts business in many foreign currencies, reporting its results in Sterling. As a result, it is subject to fluctuations in foreign exchange rates which affect the Company's transactional revenues and costs. The majority of the potential foreign exchange exposure is in United States Dollars. The Company's foreign exchange risk management policy aims to identify and minimise this exposure wherever possible.

The Company's balance sheet currency exposure is primarily managed by matching currency assets with currency borrowings.

Credit risk

The Company borrows from and deposits money with its subsidiaries and fellow Group companies as part of the treasury activities conducted. The arrangements are governed by loan agreements which specify limits and tenor and are authorised in accordance with the Company's board mandates.

Travelex Limited
Strategic report
for the year ended 31 December 2014

Credit risk (continued)

Investments with external counterparties are in accordance with group policies approved by the board of Directors. Limits are based on long term credit ratings issued by a third party and counterparty deposits are reported to the board of Directors on a monthly basis.

Events after the balance sheet date

On 29 January 2015, the Travelex Group was sold to UTX Holdings Limited, a company incorporated in Jersey, and ultimately controlled by Dr B.R. Shetty.

By order of the Board



S M Pignet
Secretary

31 July 2015

Registered office
4th floor
Kings Place
90 York Way
London
N1 9AG

Company Registration Number
4001915

Travelex Limited
Directors' report
for the year ended 31 December 2014

The Directors present their report and the audited financial statements of Travelex Limited (the Company) for the year ended 31 December 2014.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

J E S Birch	
J P Jackson	Resigned 26 February 2015
M L Emmerson	
M D Ball	
S Pignet	Appointed 6 April 2015

Financial instruments

The Company has a strategy to mitigate its exposure to foreign currency volatility through the use of appropriate financial instruments. The control framework associated with this strategy includes the establishment of clear parameters for the Company's operations, including levels of authority and the type and use of financial instruments. In addition, the Company follows guidance given by the parent undertaking's Group Risk Committee. This committee addresses all aspects of risk within the business including, but not limited to, financial risk exposures.

Employees

The Company is committed to employee involvement as it believes that its business objectives are best achieved if the Company's staff understand and support the Company's strategy. Staff members are kept informed of performance through briefing meetings, supplemented by a range of internal communications. Executives regularly visit business locations to discuss matters of current interest with staff and the Company's financial performance is presented and explained to staff during the year.

Equal opportunities

The Company's policy is not to discriminate against anyone, on any grounds. Training is available and provided to all levels of staff, and investment in employee development is a priority. Within this policy, the Company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The Company gives full consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Company. If members of staff become disabled, the Company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Charitable donations

The Company made no charitable or political donations in the current or prior year.

Travelex Limited
Director's Report
for the year ended 31 December 2014

Directors' responsibilities statement

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 prepared the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 account 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 United Kingdom 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.


Statement of disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware. In addition, the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

Ernst & Young LLP is to be appointed as auditor to the Company. PricewaterhouseCoopers LLP will submit a notice of resignation to the Company subsequent to their signing the Auditors' Report for the financial year ended 31 December 2014 (the "Auditors' Report"). This notice will be effective on that date that it is received by the Company, at a time subsequent to the signing of the Auditors' Report, at which time the directors will appoint Ernst & Young LLP as auditor to the Company in accordance with the provisions of the Companies Act 2006.

By order of the Board



S M Pignet
Secretary
31 July 2015

Registered office
4th floor
Kings Place
90 York Way
London
N1 9AG

Company Registration Number
4001915

Travelex Limited
Independent auditors' report to the members of Travelex Limited
for the year ended 31 December 2014

Report on the financial statements

Our opinion

In our opinion, Travelex Limited's financial statements (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 loss 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.

What we have audited

Travelex Limited's financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Travelex Limited
Independent auditors' report to the members of Travelex Limited
for the year ended 31 December 2014

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Darren L Meek (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 July 2015

Travelex Limited
Profit and loss account
For the year ended 31 December 2014

£'000		2014	2013
Income from the recharge of central services		38,129	28,057
Operating expenses		(37,160)	(32,755)
Operating exceptional items	2	(67,614)	(4,520)
Operating loss		(66,645)	(9,218)
Dividend income from fixed assets investments		9,834	293,559
Impairment of fixed asset investments	8	-	(296,938)
Loss on ordinary activities before interest and taxation	3	(56,811)	(12,597)
Interest receivable and similar income	5	22,404	21,209
Interest payable and similar charges	4	(31,984)	(44,255)
Loss on ordinary activities before tax		(66,391)	(35,643)
Tax on loss on ordinary activities	7	1,231	7,589
Loss for the financial year		(65,160)	(28,054)

The notes form an integral part of these financial statements.

All recognised gains or losses are included within the profit and loss account above.

There is no difference between the loss before tax and the retained loss for the year stated above and their historical cost equivalents.

Travelex Limited
Balance sheet
As at 31 December 2014

£'000	Note	2014	2013
Non-current assets			
Tangible assets	9	856	751
Investments	8	423,643	416,998
		424,499	417,749
Current Assets			
Debtors	11	896,629	770,973
Derivative financial assets	13	2,620	1,197
Restricted cash	12	315	300
Cash at bank		73,614	126,130
		973,178	898,600
Creditors – amounts falling due within one year	14	(16,777)	(11,606)
Net current assets		956,401	886,994
Total assets less current liabilities		1,380,900	1,304,743
Creditors – amounts falling due after more than one year	15	(828,881)	(684,800)
Net assets		552,019	619,943
Capital and reserves			
Called up share capital	16	70,900	70,900
Share premium account	17	19,100	19,100
Capital reserve	17	995	993
Profit and loss account	17	461,024	528,950
Total shareholders' funds		552,019	619,943

The notes form an integral part of these financial statements.

The financial statements on pages 7 to 21 were approved by the Board of Directors on 31 July 2015 and were signed on its behalf by:

M. L. Emmerson

M L Emmerson
Director

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

1. Accounting Policies

General information

Until 29 January 2015 Travelex Holdings Limited was the Company's ultimate parent company. It is incorporated and domiciled in the United Kingdom. The registered office and principle place of business is Kings Place, 90 York Way, London, N1 9AG. On the 29 January, the Travelex Holdings Limited Group was sold to BRS Ventures & Holdings Limited, a company incorporated in British Virgin Islands. BRS Ventures & Holdings Limited is now the Company's ultimate parent company from that date.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention, modified to include the revaluation of financial instruments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The financial statements contain information about Travelex Limited as an individual company. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, Travelex Holdings Limited, a company incorporated in the UK.

The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements. The Company accounting policies dealing with material items are set out below.

Related parties

The Company has an exemption under FRS 8 'Related Parties' in respect of wholly owned subsidiaries and has made disclosures in respect of those which are not wholly owned.

Cash flow statement

No cash flow statement has been prepared as the Company is exempt from the requirement of Financial Reporting Standard 1 'Cash flow statements', to include a cash flow statement in its financial statements because it is a wholly owned subsidiary of Travelex Holdings Limited whose publicly available consolidated financial statements include the cash flows of the company.

Revenue recognition

Revenue is generated from the recharge of central services as management charges to other group companies for services incurred on their behalf by the Company. This income is recognised in the profit and loss account when earned.

Operating expenses

Operating expenses comprise costs required to operate the business, as well as costs incurred on behalf of fellow group undertakings. These are recognised as incurred.

Debtors

Debtors principally comprise amounts due from other group undertakings, which represent both trading and non trading loans. It also includes taxation related balances. They are non-derivative financial instruments which have a fixed or easily determined value. They are recognised at cost, less any provisions for impairment in their value.

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

1. Accounting Policies (continued)

Creditors

Creditors comprise accruals and other sundry trading balances. They are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

Financial assets and liabilities

The Company is exempt from the requirement to adopt full disclosure of the classification of financial assets and to disclose detailed accounting bases in its financial statements as it is a wholly owned subsidiary of Travelex Holdings Limited. That company's consolidated financial statements include a full disclosure and are publicly available (see note 21).

Share capital and premium

Share capital and premium represents the capital contributions made by Travelex Group Limited in the Company on incorporation. Incremental costs directly related to the issuance of new ordinary shares are deducted against the share capital account.

Exceptional items

Exceptional items are those significant items which are separately disclosed by virtue of their size or incidence to enable a full understanding of the Company's financial performance.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost and depreciated so as to write off the cost of the asset over its estimated useful economic life. Cost includes expenditure which is directly attributable to bringing the asset into the condition required for its intended use.

Depreciation is calculated on a straight-line basis using the following rates:

Fixtures and fittings	10-20% per annum
Computer hardware	33.3% per annum
Computer software	33.3% per annum

Income taxes

Current income tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date.

Deferred taxation

In accordance with FRS 19, Deferred tax, full provision is made for deferred tax liabilities arising from timing differences due to the different treatment of certain items for taxation and accounting policies. The provision is calculated at the average tax rates that are expected to apply when the timing differences are expected to reverse and is not discounted. No provision is made in respect of timing differences arising from the sale or revaluation of fixed assets unless there is a binding commitment to dispose of the assets at the balance sheet date. Deferred tax assets are recognised to the extent that it is considered more likely than not there will be suitable taxable profit from which the future reversal of the underlying timing difference can be deducted.

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

1. Accounting Policies (continued)

Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rate ruling at the date of the transaction into pounds sterling. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date, with differences arising on translation recorded in the profit and loss account. All other exchange gains and losses, which arise from normal trading activities, are included in the profit and loss account as incurred.

Cash at bank

Cash at bank in the balance sheet represents the cash book balance. This differs from the bank statement balance due to reconciling timing differences i.e. unpresented cheques or wires and deposits in transit. Cash at bank also includes those short-term deposits, of a maturity of typically less than five days, held with banks and other financial institutions.

Share based employee remuneration

The share based remuneration awards made by the ultimate parent company on behalf of the entity for services provided to the entity are classified as equity settled.

The settlement method of the scheme was classified as equity settled on the date of inception of the scheme and changed to cash settled following the cash settlement of some of the M Shares in 2011. As at 31 December 2014, the directors' considered that there were sufficient certainty that the awards would be settled in equity.

The change in the classification was not considered a modification to the scheme and therefore the amount of the liability was transferred to equity at the value attributed to the shares on the inception of the scheme.

The amounts attributable are treated as a capital contribution from the ultimate parent company.

Derivative financial instruments

The Company utilises financial instruments to manage its exposure to fluctuations in exchange and interest rates. The Travelex Group enters into currency derivatives to hedge foreign cash flows and to manage the composition of its foreign currency assets and liabilities. Interest rate derivatives are used to manage the mix of debt between fixed and floating rate instruments. Gains and losses on these instruments are included within interest receivable and similar income. The gross asset and liability relating to foreign currency forwards are reported separately in the balance sheet, with the exception of those with other group undertakings which are included in amounts due to or from group undertakings.

Derivative financial instruments are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The instrument is derecognised from the balance sheet when the contractual rights or obligations arising from that instrument expire or are extinguished.

Derivative financial instruments are recognised at fair value. The gains and losses on remeasurement to fair value are recognised immediately in the profit and loss account. Derivative financial instruments are recognised on a trade date basis.

The company has taken advantage of the exemption available under FRS 29 paragraph 2d from the disclosure requirements of FRS 29.

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

1. Accounting Policies (Continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Finance leases held are in respect of ATM machines located overseas. These leases are reported within the balance sheet, split by the current and non-current element. The finance costs incurred in the year are charged to the profit and loss.

Pension costs

Contributions to the Group's defined contribution pension schemes are charged to the profit and loss account as incurred.

Segmental Reporting

Under SSAP 25, the Company is exempt from the requirement to present segmental analysis.

Interest receivable and payable

Interest receivable and payable is recognised in the profit and loss account using the effective interest rate method and therefore recorded in the period in which it is earned or incurred.

Dividends receivable

Dividends are recognised when declared and approved by the board of Directors.

2. Exceptional items

Operating exceptional items

£'000	2014	2013
Project bonus	-	163
Project costs	18,047	4,357
Stores workstream project cost write off	(1,500)	-
Reorganisation costs	154	-
Liquidation of Travelex Russia Retail	412	-
RCF costs	501	-
Travelex Central Services intercompany debt waiver	50,000	-
	67,614	4,520

Exceptional items of £18,047,000 primarily relate to legal and professional fees incurred for corporate projects associated with preparing for the sale of the Group to UTX Holdings Limited. In 2013, exceptional items primarily related to the reorganisation initiative including redundancy costs, as well as the restructure of the Travelex Group's Travellers' Cheques business.

During the year Travelex Central Services Limited carried out a refinancing exercise in order to ensure that the stand-alone entity has the necessary net assets to meet its continuing obligations. To achieve this, Travelex Limited has agreed to write off the intercompany debtor balance by £50,000,000 via an intercompany waiver. The associated write off has been classified within exceptional items above.

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

3. Loss on ordinary activities before interest and taxation

Loss on ordinary activities before interest and tax is stated after charging/(crediting):

£'000	2014	2013
Income from the recharge of central services	(35,541)	(28,057)
Depreciation of owned tangible assets	163	153
Operating lease rental	1,245	1,185
Exchange loss	-	6

Auditors remuneration

Remuneration of the Company's auditors is paid and borne by a fellow subsidiary undertaking of the ultimate holding company, Travelex Holdings Limited, the recharge to the Company being £746,492 (2013: £390,000).

4. Interest payable and similar charges

£'000	2014	2013
Bank loans and overdrafts	(37)	72
Interest payable to group undertakings	31,886	44,183
Finance costs on refinancing	135	-
	31,984	44,255

5. Interest receivable and similar income

£'000	2014	2013
Bank interest	165	443
FX gains (net)	1,401	-
Interest receivable from group undertakings	20,838	20,766
	22,404	21,209

6. Employees and Directors

The service contracts of the employees are with Travelex UK Ltd, and the employees paid by, a fellow subsidiary company. These costs are disclosed as they are recharged to the Company for the services that these employees provide to the Company. The monthly average number of employees that provide services to the Company during the year, calculated on a full-time equivalent basis was as follows:

Monthly Average number of employees

Number	2014	2013
Group support functions	159	145

Employee costs

£'000	2014	2013
Wages and salaries	24,013	20,745
Share based employee remuneration	2	293
Social security costs	1,690	1,182
Other pension costs	672	535
	26,377	22,755

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

6. Employees and Directors (continued)

The M ordinary shares allow shareholders to receive one-ninth of the aggregate amount paid or payable to the TP Loan Note Holders, or holders of the Primary Ordinary Shares or Preference Shares by way of dividend or otherwise upon the return of capital on liquidation, reduction of capital or other return of capital and are held in beneficial ownership in Trust.

Prior to 31 December 2014, the scheme was accounted for as a cash settled share based payments scheme with the fair value of the awards recognised as a liability. As at 31 December 2014, the Directors of Travelex Holdings Limited considered that there was sufficient certainty that the awards would be settled in equity. The change in the scheme was not considered a modification to the scheme and therefore the amount of the liability was transferred to equity at the value attributed to the shares on inception of the scheme. Accordingly, there is a charge and capital contribution of £1,684 (2013: £292,622) recognised in the current year.

The Group has no legal obligation to repurchase these shares.

Directors' emoluments

£'000	2014	2013
Aggregate emoluments	127	138
Share based remuneration	5	264
Company contributions to defined contribution schemes	2	10
	134	412

The amounts above relate to emoluments in respect of four Directors (2013: four) of the Company, and represent an apportionment of the total emoluments paid to them to reflect their qualifying services as Directors of the Company.

One Director has benefits accruing under defined contribution pension arrangements (2013: four). The emoluments of the highest paid Director were £84,354 (2013: £328,375) and company contributions to defined contribution pension arrangements were £2,303 (2013: £7,600).

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

7. Tax on loss from ordinary activities

Analysis of charge in the period:

£'000	2014	2013
Current tax		
Current tax credit on current year loss	(792)	(6,982)
Adjustment in respect of prior periods	(439)	(607)
Total current tax credit	(1,231)	(7,589)
Deferred tax		
Deferred tax charge	-	-
Adjustment to deferred tax in respect of prior periods	-	-
Total deferred tax	-	-
Tax credit for the year	(1,231)	(7,589)

The standard rate of Corporation Tax in the UK changed from 23% to 21% with effect from 1 April 2014. Accordingly the company's profits for this accounting period are taxed at an effective rate of 21.5%.

The current tax charge for the year differs to the standard rate of corporation tax in the UK (2013: 23.25%).

The differences are detailed below:

£'000	2014	2013
Loss on ordinary activities before tax	(66,391)	(35,643)
Profit multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(14,274)	(8,287)
Effects of:		
Expenses not deductible for tax purposes	3,051	471
Depreciation in excess of capital allowance not recognised	-	35
Accelerated capital allowances	35	-
Other timing differences	(21)	13
Impairment not deductible		69,038
Intercompany loan waiver not deductible	10,750	-
Carry forward of current year losses	1,781	-
Dividend income (non-taxable)	(2,114)	(68,252)
Adjustments in respect of prior period	(439)	(607)
Current tax credit	(1,231)	(7,589)

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

8. Investments

£'000	
Cost	
At 1 January 2014	867,022
Additions	6,645
At 31 December 2014	873,667
 Accumulated Impairment	
At 1 January 2014	450,024
Additions	-
At 31 December 2014	450,024
 Net book value	
At 31 December 2014	423,643
At 31 December 2013	416,998

During the year the Company increased its existing investment in subsidiaries within the Travelex Group for a total consideration of £6,645,154 (2013: £41,780,922).

The Company recorded an impairment charge of £nil (2013: £296,938,000) in the year against its investment.

The Directors consider the value of the investments to be supported by their underlying assets.

Travelex Limited
Notes to financial statements
For the year ended 31 December 2014

The subsidiaries, all wholly owned unless otherwise stated, and joint ventures are as follows:

Name	Country of incorporation
Travelex SA/NV	Belgium
Travelex Canada Limited	Canada
Travelex Agency Services Limited	England and Wales
Travelex Banknotes Limited	England and Wales
Travelex Global and Financial Services Limited (84% owned)	England and Wales
Travelex Currency Services Limited	England and Wales
Travelex Consumer Payments Limited	England and Wales
Travelex Property Services Ltd (UK)	England and Wales
Travellers Exchange Corporation Limited	England and Wales
Travelex Central Services Limited	England and Wales
Travelex Foreign Coin Services Limited	England and Wales
Travelex UK Limited	England and Wales
Travelex Group Investments Limited	England and Wales
Travelex Italia Limited	England and Wales
Travelex France Holdings Limited	England and Wales
GWK Travelex NV	The Netherlands
Travelex Czech Republic as	Czech Republic
Travelex Deutschland GmbH	Germany
Travelex Nederland Holdings BV	The Netherlands
Travelex Services Inc (US)	USA
OOO Travelex (Russia)	Russia
Travelex Japan KK	Japan
Travelex Representative Office Nigeria Limited	Nigeria
Travelex Retail Nigeria Limited	Nigeria
Travelex Switzerland AG	Switzerland
Travelex Bahrain WLL (75% owned)	Bahrain
Travelex India Private Limited	India
Travelex Holding (HK) Limited	Hong Kong
Travelex Holding (S) PTE Limited	Singapore
Travelex Emirates LLC (49% owned)	UAE
Travelex & Co LLC (Oman) (70% owned)	Oman
FX Africa foreign Exchange (Pty) Ltd (49% owned)	South Africa
US Deposits Holdings LLC (39% owned)	USA
Travelex Malaysia SDN BHD (70% owned)	Malaysia
PT Travelex Indonesia Ltd	Indonesia
Travelex Financial Services NZ Ltd	New Zealand
Travelex Qatar (49% owned)	Qatar
Travellers Cheques Encashment Services Ltd	England and Wales
South American Card Services Ltd	Brazil
Travelex Do Brasil Holding Societaria Ltd	Brazil
US Deposits LLC	USA
Travelex Panama S.A	Panama

Travellex Limited
Notes to financial statements
for the year ended 31 December 2014

9. Tangible assets

£'000	Assets under construction	Fixtures and Fittings	Computer hardware and software	Total
Cost				
At 1 January 2014	228	524	3,417	4,169
Additions	221	-	73	294
Disposals	(26)	-	-	(26)
At 31 December 2014	423	524	3,490	4,437
Accumulated Depreciation				
At 1 January 2014	-	141	3,277	3,418
Charge for the year	-	50	113	163
Disposals	-	-	-	-
At 31 December 2014	-	191	3,390	3,581
Net book value				
At 31 December 2014	423	333	100	856
At 31 December 2013	228	383	140	751

Additions in the year relate to the part capitalisation of costs relating to the Travellex supercard which is currently in progress and the capitalisation of Omniplex HR system costs. Additions also include costs held in Assets under construction relating to various PCI and ATM projects.

Disposals of £26,000 relate to the capitalisation of Omniplex HR system costs disposed under assets under construction.

10. Deferred taxation

£'000	2014	2013
At 1 January	-	-
Charge to the profit and loss account	-	-
Total deferred tax asset	-	-

The rate used to calculate deferred taxation is 20.25% (2013: 21.5%).

Unrecognised deferred tax balances have been disclosed below at 20.25% reflecting legislation to reduce the main rate of corporation tax from 21% to 20% that was substantively enacted in finance Act 2013 on the 17 July 2013.

There are £17,057,000 (2013: £16,499,000) unrecognised deferred tax assets relating to unused tax losses of £16,187,000 (2013: £15,326,000), short term timing differences of £222,000 (2013: £306,000) and accelerated capital allowances of £648,000 (2013: £867,000).

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11. Debtors

£'000	2014	2013
Other debtors	5,663	3,307
Prepayments and accrued income	2,132	3,412
Group tax receivable	1,772	8,741
Amounts due from subsidiary undertakings	333,203	150,038
Amounts due from parent undertakings	553,859	605,475
	896,629	770,973

Interest is charged on certain amounts due from group undertakings at an average rate of LIBOR plus 2.5%. Where interest is not charged, amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. Restricted cash

£'000	2014	2013
Current		
Amount held in escrow	315	300

Current restricted cash of £315,000 (2013: £300,000) relates to cash held in escrow relating to the sale of the Global Business Payment business.

13. Derivative financial instruments

£'000	2014	2013
Derivative financial assets: amounts due from external counterparties	2,620	1,197
	2,620	1,197

Fair value estimation

The fair value of the forward foreign currency contracts has been determined based on market forward exchange rates at the balance sheet date. There is no material difference between the carrying value and fair value of the financial assets and liabilities at the balance sheet date. The book value of all financial instruments represents the maximum credit risk.

Maturity of financial liabilities

All of the Company's financial liabilities are on demand or due within one year.

14. Creditors - amounts falling due within one year

£'000	2014	2013
Other creditors	6,398	2,553
Accruals and deferred income	10,379	9,053
	16,777	11,606

15. Creditors – amounts falling due after more than one year

£'000	2014	2013
Amounts owed to subsidiary undertakings	800,489	659,674
Amounts owed to parent undertakings	28,392	25,126
	828,881	684,800

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15. Creditors – amounts falling due after more than one year

An amount of £17,314,000 (2013: £41,078,000) bearing interest at 0.0% (2013:12.7%) due to Travelex Global and Financial Services Limited is included within amounts owed to subsidiary undertakings. All other amounts owed to group undertakings bear interest at LIBOR plus 2.5%.

16. Called up share capital

	2014	£'000	2013	£'000
	number		number	
Ordinary shares of £1 each	70,606,334	70,606	70,606,334	70,606
Ordinary 'A' shares of £1 each	293,333	294	293,333	294
	70,899,667	70,900	70,899,667	70,900

The holders of the 'A' ordinary £1 shares have waived their rights to all future dividends. The holders of the 'A' ordinary £1 shares may at any time, with the agreement of a qualified class majority, convert the whole of their 'A' ordinary £1 shares into a like number of £1 ordinary shares.

17. Reconciliation of movements in shareholders' funds

£'000	Called up Share Capital	Share premium account	Profit and Loss account	Capital Contribution	Total Shareholder Funds
At 1 January 2014	70,900	19,100	528,950	993	619,943
Loss for the year	-	-	(65,160)	-	(65,160)
Capital contribution	-	-	-	2	2
Reserve adjustments	-	-	(2,766)	-	(2,766)
At 31 December 2014	70,900	19,100	461,024	995	552,019

During the year, four adjustments were accounted for within other reserve movements. The first adjustment of £1,500,000 related to the write off of the One Platform stores workstream project costs. These costs were incorrectly written off within Travelex Central Services Limited therefore moved through other reserve movements during 2014 to correctly recognise within Travelex Limited. The second adjustment relates to an intercompany balance of £4,400,000 owed to Travelex Limited by Travelex Holdings limited that was not recognised in the prior year. The third adjustment of £2,980,000 relates to the interest waived on the 2012 intercompany waiver between Travelex Central Services Limited and Travelex Limited. Finally, £2,686,000 of intercompany interest was incorrectly charged to Travelex Global & Financial Services Limited during 2013 therefore has been corrected and recognised within other reserve movements.

18. Operating leases

The Company's future annual commitments under non-cancellable operating leases for land and buildings are as follows:

£000's	2014 Land and buildings	2013 Land and buildings
Due within one year	236	936
Due between one and five years	-	236
	236	1,172

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19. Related party transactions

As a wholly owned subsidiary whose results are included in the consolidated financial statements of Travelex Holdings Limited, the Company has taken advantage of the exemption under FRS 8, 'Related Party Disclosures', from the requirements to disclose transactions with wholly owned group companies.

All the transactions, unless stated below, were entered into with wholly owned subsidiaries within the Group.

Details of balances with subsidiaries and joint ventures which are less than 100% are shown below.

Company	Percentage Holding	2014 (£000's)	
		Payable	Receivable
Travelex Global & Financial Services	84%	17,314	-
FX-Africa Foreign Exchange (Pty) Limited	49%	-	1,175
Travelex & CO LLC (Oman)	70%	178	-
		17,492	1,175

A capital contribution by Travelex Holdings Limited, the ultimate parent company of £1,684 (2013: £292,622) is recognised in the current year in relation to M ordinary shares issued in it to certain employees of the Company. Further details are disclosed in note 6.

20. Contingent liabilities

On 1 August 2013, TP Financing 3 Limited and its subsidiaries arranged a £90m package of facilities to finance the Travelex Group's ongoing cash flow requirements until 2018. Travelex Central Services Limited, alongside most subsidiaries of the Group, then agreed to stand as guarantor of these senior facilities. The balance outstanding under these guarantees as at 31 December 2014 was £27.3m (31 December 2013: £28.4m).

On 1 August 2013, Travelex Financing Plc raised £350m of high yield notes due 2018, the proceeds of which were used to repay existing external debt which was nearing term. Travelex Central Services Limited is also a guarantor in respect of this arrangement. The full balance is outstanding as at 31 December 2014 and 31 December 2013.

21. Ultimate and intermediate parent undertakings

The immediate parent undertaking of the Company is Travelex Group Limited.

Until 29 January 2015 Travelex Holdings Limited was the Company's ultimate parent company. It is incorporated and domiciled in the United Kingdom. The registered office and principle place of business is Kings Place, 90 York Way, London, N1 9AG. On 29 January, the Group was sold to BRS Ventures & Holdings Limited, a company incorporated in British Virgin Islands. UTX Holdings Limited is now the Company's ultimate parent company from that date.

22. Post balance sheet event

On 29 January 2015, the Travelex Group was sold to UTX Holdings Limited, a company incorporated in Jersey, and ultimately controlled by Dr B.R. Shetty.