

**EPYX LIMITED**  
**Company Number 04087715**



**EPYX LIMITED**

**REPORTS AND FINANCIAL STATEMENTS**

**31 DECEMBER 2018**



**EPYX LIMITED**  
**Company Number 04087715**  
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**31 DECEMBER 2018**



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**EPYX LIMITED**  
**Company Number 04087715**  
**COMPANY INFORMATION**  
**31 DECEMBER 2018**

**DIRECTORS:**

E R Dey  
A King  
A Kravos-Medimorec  
S J Pisciotta

**REGISTERED OFFICE:**

Heath Farm  
Hampton Lane  
Meriden  
Coventry  
CV7 7LL  
United Kingdom

**REGISTERED NUMBER:**

04087715

**AUDITORS:**

Ernst & Young LLP  
Apex Plaza  
Forbury Road  
Reading  
RG1 1YE

**EPYX LIMITED**  
**Company Number 04087715**  
**STRATEGIC REPORT**

The directors present their strategic report for the year ended 31 December 2018.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of providing internet based business applications for the automotive industry.

**REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

**Business review**

The company's key financial performance indicators during 2018 and 2017 are as follows:

	2018 £'000	2017 £'000	Change
Turnover	40,788	36,659	11%
Gross profit	39,948	35,921	11%
Operating profit	31,742	28,275	12%

Total company turnover has increased by £4.1m during 2018 compared to 2017. Revenue from transactions is derived from our service network relationships. We earn revenue through a program of fees and charges, which can be fixed or based on a variable percentage of the transaction value.

Operating profit has increased due to an increase in turnover which has offset a small increase in operating expenditure.

The financial position of the company's balance sheet at the year end showed shareholder's funds of £114.2m (2017: £87.6m).

The directors' have also reviewed the current and future expected financial position of the company, and as a result the financial statements have been prepared on a going concern basis.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Financial instruments and liquidity risk**

The company's principal financial instruments comprise cash, short-term deposits, and hire purchase agreements. The company is not exposed to any long term external borrowings. The main purpose of these financial instruments is to raise finance for the company's operations. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The company does not enter into derivative transactions.

**Interest rate risk**

The company is not exposed to any long term external borrowing. Interest is payable on any inter-group borrowings at arm's length rates. Interest is payable on short term external borrowing at appropriate short term lending rates.

**Foreign currency risk**

The company has overseas distributor agreements which relate to a share of revenue calculated in the local currency; the risk of devalued revenue from these contracts is not considered significant with the current level of the company's development in these markets.

**EPYX LIMITED**

**Company Number 04087715**

**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Credit risk**

The company is exposed to credit risk due to counterparties failing to meet all or part of their obligations. All customers are subject to credit verification and all outstanding balances are monitored on an on-going basis. Management is responsible for identification, assessment and the control of credit risk.

**Impairment risk**

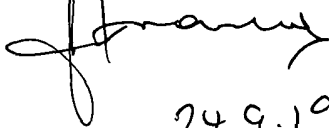
The directors are aware of their responsibility to monitor the performance of the subsidiary and consider if there has been an impairment trigger arising over the investment's carrying value on a regular basis.

Approved by the board, authorised for issue and signed on its behalf by

**A Kravos-Medimorec**

**Director**

**Date:**



24.9.19

**EPYX LIMITED**  
**Company Number 04087715**  
**DIRECTORS' REPORT**

The directors present their report for the year ended 31 December 2018.

**RESULTS**

The company's results are set out in the Statement of Comprehensive Income on page 9.

**DIVIDENDS**

No dividends were issued for the year (2017: £nil).

The directors do not recommend the payment of any final dividend (2017: £nil)

**DIRECTORS' INDEMNITY**

The group has indemnified its directors, by way of directors and officer's liability insurance, against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force at the date of approving the directors' report.

**DIRECTORS**

The directors set out below have held office during the whole of the period from 1 January 2018 to the date of this report unless otherwise stated.

E R Dey  
A King  
A Kravos-Medimorec (appointed 11 February 2019)  
A D MacIver (resigned 31 May 2018)  
S J Pisciotta

**EMPLOYEES**

The company policy for the employment of disabled persons is that full consideration is given to their applications and candidates are offered employment on the basis of their ability and aptitude. In the event of an individual becoming disabled whilst in employment, every effort is made to ensure that such employment is continued and where necessary appropriate retraining is provided. The training, career development and promotion opportunities for disabled persons are the same as those for other employees.

The company recognises the benefits of keeping employees informed of the progress of the business. During the year employees were provided with information on the performance of the company and on other matters of concern to them as employees.

**GOING CONCERN**

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

**EPYX LIMITED****Company Number 04087715****DIRECTORS' REPORT (CONTINUED)****FINANCIAL INSTRUMENTS**

Details of financial instruments are provided in the strategic report on page 2.

**STATEMENT AS TO 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.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

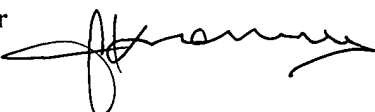
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

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

**AUDITORS**

In accordance with section 487 of the Companies Act 2006, Ernst & Young LLP shall be deemed to be re-appointed as Auditors of the company.

Approved by the board, authorised for issue and signed on its behalf by

**A Kravos-Medimorec****Director****Date:**

24.9.19

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPYX LIMITED**

### **Opinion**

We have audited the financial statements of Epyx Limited for the year ended 31 December 2018 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 20, including a summary of significant accounting policies. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPYX LIMITED (continued)**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPYX LIMITED (continued)**

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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

*Ernst & Young LLP*

Michael Philp (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Reading

Date: *27 September 2019*



**INCOME STATEMENT**  
**YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £'000	2017 £'000
Turnover	2	40,788	36,659
Cost of sales		(841)	(738)
<b>GROSS PROFIT</b>		<b>39,947</b>	<b>35,921</b>
Staff costs	4	(5,037)	(5,055)
Administrative expenses		(2,187)	(1,912)
Depreciation	3	(124)	(60)
Amortisation	3	(864)	(619)
<b>OPERATING PROFIT</b>		<b>31,735</b>	<b>28,275</b>
Interest receivable and similar income	6	1,236	1,315
Interest payable and similar charges		-	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>32,971</b>	<b>29,590</b>
Taxation on profit on ordinary activities before taxation	7	(6,719)	(5,016)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>26,252</b>	<b>24,574</b>

The company's turnover and expenses all relate to continuing operations.

**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 DECEMBER 2018**

	2018 £'000	2017 £'000
Profit for the financial year	26,252	24,574
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>26,252</b>	<b>24,574</b>

EPYX LIMITED  
Company Number 04087715



STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31 DECEMBER 2018

	Called Up Share Capital	Share Premium Account	Capital Redemption Reserve	Capital Contribution	Share Based Payment Reserve	Profit and Loss Account	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2017	725	325	56	520	1,064	60,090	62,780
Profit for the year	-	-	-	-	-	24,574	24,574
Credit in respect of Share Option Schemes (note 16)	-	-	-	-	206	-	206
At 31 December 2017	725	325	56	520	1,270	84,664	87,560
At 1 January 2017	725	325	56	520	1,270	84,664	87,560
Profit for the year	-	-	-	-	-	26,252	26,252
Credit in respect of Share Option Schemes (note 16)	-	-	-	-	284	-	284
At 31 December 2018	725	325	56	520	1,554	110,916	114,096



**EPYX LIMITED**  
Company Number 04087715

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2018**

	Note	2018 £'000	2017 £'000
<b>FIXED ASSETS</b>			
Intangible fixed assets	8	2,984	2,570
Tangible fixed assets	9	215	198
Investments	10	26	26
		<hr/>	<hr/>
		3,225	2,794
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	11	136,931	96,470
Debtors: amounts falling due after one year	11	38	101
Bank and cash in hand		2,116	1,624
		<hr/>	<hr/>
		139,085	98,195
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	12	(28,214)	(13,429)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		110,871	84,766
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		114,096	87,560
		<hr/>	<hr/>
<b>NET ASSETS</b>		114,096	87,560
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	13	725	725
Share premium account	14	325	325
Capital redemption reserve	14	56	56
Capital contribution	14	520	520
Profit and loss account	14	110,916	83,664
Share based payment reserve	14	1,554	1,270
		<hr/>	<hr/>
<b>SHAREHOLDER'S FUNDS</b>		114,096	87,560
		<hr/>	<hr/>

Approved by the board, authorised for issue and signed on its behalf by

A Kravos-Medimorec

Director

Date:

24.9.19



**EPYX LIMITED**  
**Company Number 04087715**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2018**

**1 ACCOUNTING POLICIES**

**Statement of compliance**

Epyx Limited is a limited liability company incorporated in England. The Registered office is Heath Farm, Hampton Lane, Meriden, CV7 7LL.

The financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2018.

**Basis of preparation**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention.

The company meets the definition of the qualifying entity under FRS102 and has taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to:

- Exemption from FRS 102 17(d) and section 7 to prepare a cash flow statement;
- Exemption from FRS 102 33.7 from disclosure of transactions with key personnel;
- Exemption from FRS 102 33.1A from disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member;
- Exemption from FRS 102 26.18(b), 26.19 to 26.21 and 26.23 from disclosure of share-based payments.

**Going concern**

The directors have reviewed the current and future expected financial position of the company, and as a result the financial statements have been prepared on a going concern basis.

**Group financial statements**

The company is exempt from the requirement to prepare and deliver group financial statements by virtue of section 401 of the Companies Act 2006 as it is a wholly owned subsidiary of Fleetcor Technologies Inc., the ultimate parent undertaking of the company, which is registered in USA and prepares publicly available group financial statements which include the results of the company and its subsidiary. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**1 ACCOUNTING POLICIES (CONTINUED)**

**Significant estimates and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The following have had the most significant effect on the amounts recognised in the financial statements.

The company estimates taxation provisions based on reasonable estimates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

Development expenditure is capitalised in accordance with the accounting policy given below. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

**Taxation**

The charge for taxation is based on the profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The charge for the year takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

**Group relief payments**

The group takes advantage of provisions within the Taxes Act, which enable certain tax benefits available in one group company to be transferred to another group company. No consideration is passed for these benefits.

**Deferred taxation**

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 a non-discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**1 ACCOUNTING POLICIES (CONTINUED)**

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are recognised in the profit and loss account.

The financial statements of overseas branches are translated into sterling using the average rate for the profit and loss account and the closing rate for the balance sheet. Differences arising from the translation of the results of overseas branches are recognised in the profit and loss account.

**Revenue recognition**

Revenue is the total amount receivable by the company for services provided, excluding Value Added Tax. Revenue is recognised on the company's different income streams as follows:

- 1 Link service bookings and transaction fees are recognised when the service is provided. Dealers are invoiced in advance so the income is deferred and recognised as the service is provided. Fleet customers are invoiced in arrears and the income is accrued;
- 1 Link membership fees (annual subscriptions) are recognised equally over the period that they relate;
- Software development revenue is recognised in accordance with the delivery of the various development services provided; and
- Software platform licence income is recognised over the period to which it relates.

**Depreciation of fixed assets**

Depreciation is provided on fixed assets used by the company so that the assets are written down to estimated residual values on a straight line basis over the estimate of their useful lives. The depreciation rates per annum are as follows:

Computer Equipment	33%
Fixtures and Fittings	20%
Leasehold Improvements	over the period of the lease

Impairment reviews are conducted where there are indicators of impairment, and the effected assets are written down to their recoverable amount.

**Development costs**

Development expenditure on clearly defined projects whose outcome can be assessed with reasonable certainty is capitalised as an Intangible Asset and amortisation is charged over a period of five years. Impairment reviews are performed by the directors when there has been an indication of potential impairment. All other development costs are written off in the year the expenditure is incurred.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**1 ACCOUNTING POLICIES (CONTINUED)**

**Fixed asset investments**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Dividend revenue is recognised when the company's right to receive payment is established.

**Operating leases**

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account over the life of the agreement.

**Pensions**

Contributions payable to the Fleetcor group's defined contribution pension scheme are charged to the profit and loss account in the period to which they relate.

**Share-based payments - Equity-settled transactions**

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

**Share-based payments - Cash-settled transactions**

The cost of cash-settled transactions is measured at fair value using an appropriate option pricing model. Fair value is established initially at the grant date and at each balance sheet date thereafter until the awards are settled. During the vesting period a liability is recognised representing the product of the fair value of the award and the portion of the vesting period expired as at the balance sheet date. From the end of the vesting period until settlement, the liability represents the full fair value of the award as at the balance sheet date. Changes in the carrying amount for the liability are recognised in profit or loss for the period.



**EPYX LIMITED**  
**Company Number 04087715**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**2 TURNOVER**

Turnover represents the amounts derived from the sole provision of services which fall within the company's ordinary activities, stated net of value added tax. It is attributable to one continuing activity, the provision of internet based business applications for the automotive industry.  
 An analysis of turnover by destination is given below:

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	40,120	36,070
Overseas	668	589
	<hr/>	<hr/>
	40,788	36,659
	<hr/>	<hr/>

**3 OPERATING PROFIT**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Operating profit is stated after charging / (crediting):		
Amortisation of development costs	864	619
Depreciation of owned fixed assets	123	60
Profit on disposal of assets	(30)	-
Auditors' remuneration – as auditors	56	52
Operating lease costs: Land and buildings	251	251
Operating lease costs: Motor vehicles	154	145
	<hr/>	<hr/>



**EPYX LIMITED**  
**Company Number 04087715**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**4 STAFF COSTS**

During the year ending 31 December 2018 the average number of persons, including directors, employed by the company was as follows:

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Administration	16	14
Sales and marketing	34	31
Product support	53	45
Product development and production	5	9
	<hr/>	<hr/>
	108	99
	<hr/>	<hr/>

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	4,106	4,254
Share options	284	206
Social security costs	489	415
Other pension costs	159	180
	<hr/>	<hr/>
	5,038	5,055
	<hr/>	<hr/>



**EPYX LIMITED**  
**Company Number 04087715**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**5 DIRECTORS' REMUNERATION**

	<b>2018</b> <b>£'000</b>	<b>2017</b> <b>£'000</b>
Aggregate remuneration in respect of qualifying services	113	61
Aggregate company pension contributions	2	1
	<hr/>	<hr/>
	115	62
	<hr/>	<hr/>

The number of directors who exercised Share Options during the year was nil (2017: nil).

Directors remuneration, as disclosed, has been notionally allocated to the company for the qualifying services provided by the respective directors.

A D MacIver and A King provided qualifying services to this company, other Fleetcor UK trading entities and various other companies controlled by Fleetcor Technologies Inc. All of this remuneration was paid by Allstar Business Solutions Limited. No recharge was made to Epyx Limited for their services as a director of the company.

E R Dey and S J Pisciotta provided qualifying services to this company, other Fleetcor UK trading entities and various other companies controlled by Fleetcor Technologies Inc. All of this remuneration was paid by Fleetcor Technologies Inc. No recharge was made to Epyx Limited for their services as a director of the company.

A R Blazye did not provide qualifying services to Epyx Limited during the year.

**6 INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2018</b> <b>£'000</b>	<b>2017</b> <b>£'000</b>
Interest receivable from group undertakings	1,236	1,315
	<hr/>	<hr/>
	1,236	1,315
	<hr/>	<hr/>



**EPYX LIMITED**  
**Company Number 04087715**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

**a) Tax on profit on ordinary activities**

The tax charge is made up as follows:

	<b>2018</b> <b>£'000</b>	<b>2017</b> <b>£'000</b>
Current tax:		
UK Corporation tax on profit for the year	5,417	4,910
Adjustment in respect of previous years	1,239	3
	<hr/>	<hr/>
Total current tax	6,656	4,913
Deferred tax:		
Origination and reversal of timing differences	63	103
	<hr/>	<hr/>
Total deferred tax	63	103
	<hr/>	<hr/>
Tax charge on profit on ordinary activities (note 7(a)/(b))	6,719	5,016
	<hr/>	<hr/>

**b) Factors affecting the total tax charge**

The tax assessed for the year is lower than the standard rate of Corporation tax in the UK. The differences are explained below:

	<b>2018</b> <b>£'000</b>	<b>2017</b> <b>£'000</b>
Profit on ordinary activities before tax	32,971	29,590
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the rate of Corporation tax for the year in the UK of 19% (2017: 19.25%)	6,265	5,696
Expenses not deductible for taxation purposes	137	137
Adjustment in respect of previous years	1,239	3
Group relief received not paid for	(922)	(820)
	<hr/>	<hr/>
Total tax expense	6,719	5,016
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)**

**c) Factors that may affect future charges**

The 2016 Summer Finance Bill, which was substantively enacted in September 2016, including provisions to reduce the rate of UK corporation tax to 19% effective from 1 April 2017 and 17% with effect from 1 April 2020. Accordingly 17% has been applied when calculation deferred tax assets and liabilities as at 31 December 2018.

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries, as the company has no liability to additional taxation should such amounts be remitted due to the availability of double tax relief.

**d) Deferred tax**

The deferred tax included in the balance sheet is as follows

	2018 £'000	2017 £'000
Timing differences relating to capital allowances	38	32
Share options	-	69
	<hr/> 38	<hr/> 101
Deferred tax asset at 1 January 2018		101
Deferred tax charge in the profit and loss account for the year (see note 7 (a))		(63)
		<hr/>
Deferred tax asset at 31 December 2018 (note 11)		38
		<hr/>

There is no unprovided deferred taxation at the end of either period. The deferred tax asset has been recognised in these financial statements as future taxable profits are expected to be in excess of those arising from the reversal of deferred tax liabilities.

The company expects deferred tax asset of £38,000 (2017: £101,000) to reverse beyond the year ending 31 December 2019. This primarily relates to the reversal of timing differences on tangible assets and capital allowances through depreciation and amortisation, pensions and share options.



**EPYX LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**8 INTANGIBLE FIXED ASSETS**

	<b>Development Costs</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 January 2018	4,438	4,438
Additions	1,277	1,277
	<hr/>	<hr/>
At 31 December 2018	5,715	5,715
	<hr/>	<hr/>
<b>Amortisation</b>		
At 1 January 2018	(1,867)	(1,867)
Charge for the year	(864)	(864)
	<hr/>	<hr/>
At 31 December 2018	(2,731)	(2,731)
	<hr/>	<hr/>
<b>Net Book Value</b>		
At 31 December 2018	2,984	2,984
	<hr/>	<hr/>
At 31 December 2017	2,570	2,570
	<hr/>	<hr/>

Development expenditure on clearly defined projects whose outcome can be assessed with reasonable certainty is capitalised and amortisation is charged over a period of five years. Impairment reviews are performed by the directors when there has been an indication of potential impairment. All other development costs are written off in the year the expenditure is incurred.



**EPYX LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**9 TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Computer equipment	Leasehold improvements	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 January 2018	10	274	14	298
Additions	23	63	54	140
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	33	337	68	438
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2018	(5)	(89)	(6)	(100)
Charge for the year	(5)	(98)	(20)	(123)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	(10)	(187)	(26)	(223)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>				
At 31 December 2018	23	150	42	215
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	5	185	8	198
	<hr/>	<hr/>	<hr/>	<hr/>



EPYX LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 DECEMBER 2018

10 INVESTMENTS

	Shares	Total
	£'000	£'000
<b>Cost</b>		
At 1 January 2018 and 31 December 2018	26	26
<b>Impairment</b>		
At 1 January 2018 and 31 December 2019	-	-
<b>Net Book Value</b>		
At 31 December 2018	26	26
At 31 December 2017	26	26

The company owns 100% of the issued share capital of the companies listed below:

	Country of incorporation	Nature of business	Capital and reserves 000's	Profit for the financial year 000's
Oasis Global Systems Limited	United Kingdom	Dormant	(£52)	£nil
Epyx France SAS	France	Provider of internet based business applications for automotive industry	€3,358	€851



**EPYX LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**11 DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade debtors	11,008	1,993
Prepayments and accrued income	774	650
Amounts owed by group undertakings (see note 18)	125,149	93,828
	<hr/>	<hr/>
	136,931	96,471
	<hr/>	<hr/>
<b>AMOUNTS FALLING DUE AFTER ONE YEAR</b>		
Deferred taxation (see note 7)	38	101
	<hr/>	<hr/>
	136,969	96,572
	<hr/>	<hr/>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	12,748	600
Corporation tax	3,754	2,374
Other taxes and social security	2,333	1,614
Accruals and deferred revenue	7,336	7,506
Amounts owed to group undertakings (see note 18)	2,043	1,337
	<hr/>	<hr/>
	28,214	13,431
	<hr/>	<hr/>



**EPYX LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2018**

**13 SHARE CAPITAL**

Allotted, called up & fully paid	2018 £'000	2017 £'000
725,126 (2017: 725,126) Ordinary shares of £1 each	725	725
	<hr/>	<hr/>
	725	725
	<hr/>	<hr/>

**14 RESERVES**

**Profit and loss account**

This reserve account accumulates the profit or loss made by the company annually.

**Share premium reserve**

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the company.

**Capital contribution**

This reserve records the amount above the nominal value received for shares contributed, less transaction costs.

**Share based payment reserve**

This reserve comprises the fair value of options share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds received are credited to share capital.

**15 PENSIONS**

**Defined contribution scheme**

Epyx employees participate in a Fleetcor group defined contribution pension scheme. The assets of the group scheme are held separately from participating companies in an independently administered fund.

The unpaid contributions at the end of the year are nil (2017: £22,000).

**EPYX LIMITED****Company Number 04087715****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2018****16 SHARE BASED PAYMENTS****Share-based payments**

The company has two main share-based payment plans for employees, being either time based payment plans with the exercise price is determined at the date of the grant, or performance based where the exercise price is the market price at the point the performance criteria have been met.

Compensation costs recorded in the financial statements with respect to these plans are £284,000 (2017: £206,000). Full disclosure of the terms of these plans is available in the annual report of the ultimate parent company Fleetcor Technologies Inc.

**17 LEASING COMMITMENTS**

Future minimum rentals payable under non –cancellable operating leases are as follows:

	2018 £'000	2017 £'000
<b>Land and buildings</b>		
Amount payable:		
- within one year	251	251
- within two to five years	865	1,005
<b>Motor vehicles</b>		
Amount payable:		
- within one year	93	154
- within two to five years	35	167
	<hr/>	<hr/>
	1,244	1,577
	<hr/>	<hr/>

**EPYX LIMITED**

Company Number 04087715

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2018****18 RELATED PARTY TRANSACTIONS**

During the year the company entered into transactions, in the ordinary course of business, with related parties. Balances outstanding at 31 December are as follows:

	2018 £'000	2017 £'000
Amounts owing from parent undertakings	34,331	33,095
Amounts owing to parent undertakings	(540)	(420)
Amounts owing from fellow subsidiary undertakings	90,818	60,732
Amounts owing to fellow subsidiary undertakings	(1,503)	(915)
	<hr/> 123,106	<hr/> 92,492
	<hr/> <hr/>	<hr/> <hr/>

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured.

**19 GROUP CREDIT AGREEMENT**

The company, together with Fleetcor Technologies Operating Company LLC and other group companies ("the group"), is party to a group credit agreement which consists of a term loan A, a term loan B and a revolving credit facility up to a maximum of \$4,170m (2017: \$4,330m)

At 31 December 2018 the total term loan utilised by the group was \$2,860m (2017: \$2,994m) and the total revolving credit facility utilised was \$1,035m (2017: \$670m). 66% of the issued and outstanding UK equity interest is pledged as security for the group loan.

**20 PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent undertaking is Quadrum Investments Group Limited, a company registered in England and Wales.

The ultimate parent company and controlling party is Fleetcor Technologies Inc.. Fleetcor Technologies Inc. is registered in Delaware, USA, and is traded on the New York Stock Exchange.

The smallest and largest group in which the results of the company are consolidated is that headed by Fleetcor Technologies Inc..

The consolidated accounts of Fleetcor Technologies Inc. can be obtained from Allstar Business Solutions Limited, PO Box 1463, Windmill Hill, Whitehill Way, Swindon, SN5 6PS, or from the website [www.fleetcor.com](http://www.fleetcor.com)