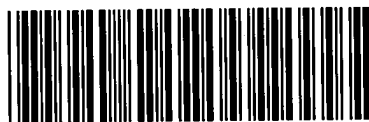


**Company Number: 4839268**

**TRAIANA LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2017**

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# **TRAIANA LIMITED**

## **Directors' Report for the year ended 31 March 2017**

Company Number: 4839268

The directors present their Directors' Report and the audited financial statements of Traiana Limited (the 'Company') for the year ended 31 March 2017.

### **PRINCIPAL ACTIVITIES**

The Company provides sales, marketing and IT integration services to its parent company Traiana Inc. It is anticipated that the Company will continue its present business activities next year.

The Company is incorporated on 21 July 2003 and is domiciled in England and Wales. The registered office is 2 Broadgate, London, EC2M 7UR.

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The business review and future developments of the Company are detailed in the Strategic Report.

### **DIVIDENDS**

No dividends were paid during the year (2016: nil).

### **DIRECTORS**

The directors of the Company, who held office during the year were and up to the date of signing the financial statements were:

D Thompson  
E Glazer

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 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, 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 IFRSs as adopted by the European Union 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 Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **TRAIANA LIMITED**

## **Directors' Report for the year ended 31 March 2017**

Company Number: 4839268

### **POST BALANCE SHEET EVENTS**

There have been no material post balance sheet events which require separate disclosure.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's risk profile and financial risk management policies are disclosed in note 2 to the financial statements.

### **INDEPENDENT AUDITORS**

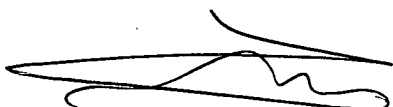
PricewaterhouseCoopers LLP has held office as auditors of the Company for the year ending 31 March 2017. The Group issued a competitive tender for the external audit contract in the year ended 31 March 2016 and this resulted in a recommendation from the Group's Audit Committee that Deloitte LLP be appointed as the Company's external auditors for the year ending 31 March 2018. A resolution to appoint Deloitte LLP as the Group's new external auditors was passed at NEX Group plc's 2017 annual general meeting.

### **PROVISION OF INFORMATION TO THE AUDITORS**

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

The directors have taken all the steps 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.

This report has been approved by the board of directors and signed on behalf of the board:



E Glazer  
Director

28 September 2017

# **TRAIANA LIMITED**

## **Strategic Report for the year ended 31 March 2017**

The directors present their Strategic Report and the audited financial statements of Traiana Limited (the 'Company') for the year ended 31 March 2017.

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The Company provides sales, marketing and IT integration services to its parent company Traiana Inc.

Traiana Inc provides global banks, brokers/dealers, buy side firms and trading platforms with services to monitor pre-trade risk and automatic post-trade processing of financial transactions in listed and over-the counter trading markets. Traiana's solutions and the Harmony Network have become the market standard for post-trade processing of foreign exchange, exchange traded derivatives, fixed income, CDS and synthetic and cash equity transactions. By offering new products to the market Traiana Inc has had continuous growth over the past few years and is expected to continue growing in the next financial year.

As the service provider to Traiana Inc, the demand for the Company's services is expected to grow correlatively.

The directors consider that the year end financial position was satisfactory and do not anticipate any changes to the principal activities.

On 23 June 2016, following the United Kingdom European Union membership referendum, the United Kingdom has decided to leave the European Union. The Directors are still assessing the impact of this decision on the Company and are working on a number of solutions to ensure the continuity of business services and access to European Clients in a post Brexit landscape.

On 15 December 2016, NEX Group plc obtained control of the Company's previous ultimate parent, ICAP plc, via a scheme of arrangement under Part 26 of the Companies Act between ICAP plc and the scheme shareholders (the Scheme of Arrangement). On 30 December 2016, the Group completed the disposal of its global hybrid voice broking and information business, including the associated technology and broking platforms (including iSwap and Fusion) and certain joint ventures and associates (together IGBB) to TP ICAP plc (the Transaction).

On December 30, 2016, NEX Group plc, the new ultimate parent company of ICAP plc, completed the sale of its voice-broker business to Tullett Prebon Plc (the "Tullett transaction"). Following the completion of the Tullett transaction, ICAP Post Trade Holdings Ltd., Traiana's parent company, was renamed NEX Optimization Ltd. NEX Optimization Ltd. holds 87% of the shares of Traiana Inc., the Company's immediate parent company (100%).

### **RESULTS**

The results of the Company are set out in the income statement on page 6.

The profit for the financial year of £1,639,000 (2016: £620,000) has been transferred to reserves.

The net assets of the Company are £5,489,000 (2016: £3,796,000).

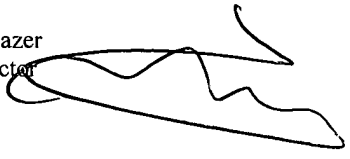
### **KEY PERFORMANCE INDICATORS**

The directors of NEX Group plc manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of NEX Group plc ("Group"), which includes the Company, are discussed on pages 14 and 15 of the Group's annual report, which does not form part of this report.

This report has been approved by the board of directors and signed on behalf of the board:

E Glazer  
Director

28 September 2017



# **TRAIANA LIMITED**

## **Independent Auditors' Report to the members of Traiana Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Traiana Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **What we have audited**

Traiana Limited's financial statements comprise:

- the Balance Sheet as at 31 March 2017;
- the Income Statement and Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- 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 IFRSs as adopted by the European Union, and applicable law.

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 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 the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

#### **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.

# **TRAIANA LIMITED**

## **Independent Auditors' Report to the members of Traiana Limited**

### **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.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 1, 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 involve**

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.



**Mike Wallace (Senior Statutory Auditor)**  
**for and on behalf of PricewaterhouseCoopers LLP**  
**Chartered Accountants and Statutory Auditors**  
**London**  
**2. October 2017**

**TRAIANA LIMITED****Income Statement for the year ended 31 March 2017**

	<u>Note</u>	<u>Year ended</u> <u>31/03/2017</u> £'000	<u>Year ended</u> <u>31/03/2016</u> £'000
<b>Revenue</b>		12,168	11,006
Administrative expenses	4	(11,321)	(10,271)
Other operating income	7	1,237	130
<b>Profit before tax</b>		<u>2,084</u>	<u>865</u>
Tax charge on profit	8	(445)	(245)
<b>Profit for the financial year</b>		<u><u>1,639</u></u>	<u><u>620</u></u>

The profit of the Company for the financial year is derived from continuing operations.

The notes on pages 11 to 22 are an integral part of these financial statements.

# **TRAIANA LIMITED**

## **Statement of Comprehensive Income for the year ended 31 March 2017**

	<u>Year ended</u> <u>31/03/2017</u> £'000	<u>Year ended</u> <u>31/03/2016</u> £'000
<b>Profit for the financial year</b>	1,639	620
<b>Total comprehensive income for the financial year</b>	<u>1,639</u>	<u>620</u>

The notes on pages 11 to 22 are an integral part of these financial statements.



**TRAIANA LIMITED**  
**Balance Sheet as at 31 March 2017**

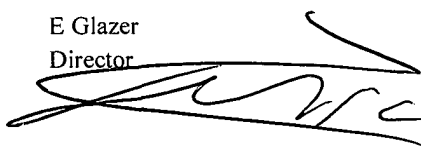
Company Number: 4839268

	<u>Note</u>	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
<b>Non-current assets</b>			
Tangible assets	9	19	30
Deferred tax asset	10	7	55
		<u>26</u>	<u>85</u>
<b>Current assets</b>			
Trade and other receivables	11	8,304	7,911
Cash and cash equivalents	12	153	125
		<u>8,457</u>	<u>8,036</u>
<b>Total assets</b>		<u>8,483</u>	<u>8,121</u>
<b>Current liabilities</b>			
Trade and other payables	13	(2,597)	(4,026)
Tax payable		(397)	(299)
		<u>(2,994)</u>	<u>(4,325)</u>
<b>Total liabilities</b>		<u>(2,994)</u>	<u>(4,325)</u>
<b>Net assets</b>		<u>5,489</u>	<u>3,796</u>
<b>Equity</b>			
Share capital	14	-	-
Retained earnings		4,780	3,141
Share based payment reserve		709	655
<b>Total equity</b>		<u>5,489</u>	<u>3,796</u>

The notes on pages 11 to 22 are an integral part of these financial statements.

The financial statements on pages 6 to 22 were approved by the board of directors on 28 September 2017 and were signed on its behalf by:

E Glazer  
 Director



# TRAIANA LIMITED

## Statement of Changes in Equity for the year ended 31 March 2017

	<u>Share capital (note 14) £'000</u>	<u>Share based payment reserve £'000</u>	<u>Retained earnings £'000</u>	<u>Total equity £'000</u>
As at 1 April 2015	-	496	2,521	3,017
Profit for the financial year and total comprehensive income	-	-	620	620
Share based charges in the year	-	159	-	159
As at 31 March 2016 and as at 1 April 2016	-	655	3,141	3,796
Profit for the financial year and total comprehensive income	-	-	1,639	1,639
Share based charges in the year	-	54	-	54
As at 31 March 2017	-	709	4,780	5,489

The notes on pages 11 to 22 are an integral part of these financial statements.

### Share capital

The balance classified as share capital includes the nominal value of the proceeds on issue of the Company's share capital, comprising £1 ordinary shares.

### Share based payment reserve

The share based payment reserve is recognised in accordance with "IFRS 2 Share-based payments".

# **TRAIANA LIMITED**

## **Statement of Cash Flows for the year ended 31 March 2017**

	<u>Note</u>	<u>Year ended</u> <u>31/03/2017</u> £'000	<u>Year ended</u> <u>31/03/2016</u> £'000
<b>Cash flows from operating activities</b>			
Profit before tax		2,084	865
Adjustments for:			
Depreciation of property, plant and equipment		11	13
Movement in share based payment reserve		54	159
<i>Operating cash flows before movements in working capital</i>		<u>2,149</u>	<u>1,037</u>
Increase in trade and other receivables		(393)	(787)
(Decrease)/ increase in trade and other payables		(1,429)	72
Tax paid		(299)	(304)
<i>Operating cash flows after movements in working capital</i>		<u>28</u>	<u>18</u>
Net cash from operating activities		<u>28</u>	<u>18</u>
Net increase in cash and cash equivalents		28	18
Net cash and cash equivalents at beginning of year	12	125	107
<b>Net cash and cash equivalents at end of year</b>	12	<u><u>153</u></u>	<u><u>125</u></u>

The notes on pages 11 to 23 are an integral part of these financial statements.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 1. PRINCIPAL ACCOUNTING POLICIES

#### a) Basis of preparation

The financial statements have been prepared in accordance with IFRS and the historical cost basis adopted by the EU, IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS and therefore comply with Article 4 of the EU IAS Regulation. The financial statements are prepared in Pound sterling, which is the functional currency of the Company. The accounting policies have been applied consistently other than areas where new policies have been adopted.

The financial statements are prepared on a going concern basis. Note 15 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

#### b) Recent accounting developments

At 31 March 2017, the following standards have been issued by the IASB which are not effective for these consolidated financial statements:

- in July 2014, IASB issued IFRS9 'Financial Instruments', which will replace IAS39 'Financial Instruments: Recognition and Measurement'. The standard will be effective for annual periods beginning on or after 1 January 2018. NEX Group plc intends to adopt IFRS9 for its financial statements for the year ending 31 March 2019; and
- in May 2014, IASB issued IFRS15 'Revenue from Contracts with Customers', which will replace IAS18 'Revenue' and IAS11 'Construction Contracts' and other related interpretations on revenue recognition. The standard will become effective for annual periods beginning on or after 1 January 2018. NEX Group plc intends to adopt IFRS15 for its financial statements for the year ending 31 March 2019.

The impact on NEX Group plc financial statements from the adoption of these IFRS standards is currently being assessed and will be disclosed closer to the time of the adoption.

#### c) Revenue

The company provides marketing services to Traiana, Inc. These are billed to Traiana, Inc. with an agreed mark up.

### PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### d) Tax

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior years. Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the current and deferred tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

Deferred tax is recognised using the liability method, in respect of all temporary differences between the carrying value of assets and liabilities for reporting purposes and the tax bases of the assets and liabilities. Deferred tax is calculated at the rate of tax expected to apply when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Calculations of current and deferred tax liability have been based on ongoing discussions with the relevant tax authorities, management's assessment of legal and professional advice, case law and other relevant guidance. Where the expected tax outcome of these matters is different from the amounts that were recorded initially, such differences will impact the current and deferred tax amounts in the period in which a reassessment of the liability is made.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 1. PRINCIPAL ACCOUNTING POLICIES (CONITNUED)

#### e) Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences are taken to the income statement, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are taken directly to equity. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

#### f) Property, plant and equipment

Tangible assets are stated at historical cost less provision for any impairment in its value and accumulated depreciation. Tangible assets are depreciated on a straight line basis over its expected useful economic life as follows:

Fixtures, fittings and equipment	2-5 years
Motor vehicles	3 years
Short leasehold	5-10 years

The Company reviews its depreciation policy regularly to take account of any changes in circumstances. These rates are determined upon consideration of factors such as the expected rate of technological development and anticipated usage levels. Depreciation is charged against assets from the date at which the Company begins to derive economic benefit from the asset.

When a leasehold property becomes surplus to the Group's foreseeable business requirements, provision is made on a discounted basis for the expected future net cost of the property.

#### g) Intercompany balances

Intercompany balances are shown in accordance with the netting agreement, which allows netting of bilateral intercompany balances within entities that are party to the netting agreement.

#### h) Trade receivable

Trade receivables are recognised at cost less provision for impairment.

#### i) Cash and cash equivalents

Cash and cash equivalents comprise deposits held at call with banks.

#### j) Impairment of assets

An impairment review of the recoverable amounts of assets is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

#### k) New standards, amendments and interpretations

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 April 2016 have had a material impact on the Company.

#### l) Share capital

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 2. FINANCIAL RISK MANAGEMENT

#### *Financial risk factors*

The Company's activities expose it to a variety of financial risks, including liquidity, interest rate, currency and credit risk. The overall financial risk management framework, strategy and policies of the Company are determined by the board of its ultimate parent company, NEX Group plc. It does this through the Group Finance Committee, and also by regional and market risk committees. The Company does not manage its own financial risk framework.

#### *Financial assets and liabilities*

The Company's financial assets are classified as loans and receivables. The Company's financial liabilities are held at amortised cost, which estimates fair value.

The financial assets can be reconciled as follows:

	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
<b>Financial assets</b>		
Cash and cash equivalents	153	125
Trade and other receivables	8,304	7,911
<i>Less</i>		
Prepayments	<u>(30)</u>	<u>(38)</u>
	<u>8,427</u>	<u>7,998</u>

#### Foreign exchange risk

The Company is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements.

Transactional exposure arises from administrative and other expenses and remittance of funds in currencies other than the Company's functional currency (GBP), principally United States Dollars ("USD"). Whilst it is the Group policy to hedge such foreign exchange exposures using derivative financial instruments at a Group level, the Company remains exposed to these risks.

Translational exposure arises on the conversion of the foreign currency denominated assets and liabilities into Sterling. The Group hedges up to 100% of its translational exposure at a Group level, but the Company is exposed to the impact of exchange rate movements.

It is estimated that a 1% increase in the exchange rates of the USD would have a negative impact of £83,000 (2016: £78,000) on the Company's profit before tax.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below summarises the Company's exposure to concentrations of foreign and domestic currencies as at 31 March 2017:

	<u>USD</u> £'000	<u>EUR</u> £'000	<u>Other</u> £'000	<u>GBP</u> £'000	<u>Total</u> £'000
<b>Assets</b>					
Cash and cash equivalents	-	-	-	153	153
Trade and other receivables less prepayments	8,233	-	-	41	8,274
	<u>8,233</u>	<u>-</u>	<u>-</u>	<u>194</u>	<u>8,427</u>
<b>Liabilities</b>					
Trade and other payables	-	-	-	(2,597)	(2,597)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,597)</u>	<u>(2,597)</u>
<b>Net assets</b>	<u>8,233</u>	<u>-</u>	<u>-</u>	<u>(2,403)</u>	<u>5,830</u>

The table below summarises the Company's exposure to concentrations of foreign and domestic currencies as at 31 March 2016:

	<u>USD</u> £'000	<u>EUR</u> £'000	<u>Other</u> £'000	<u>GBP</u> £'000	<u>Total</u> £'000
<b>Assets</b>					
Cash and cash equivalents	-	-	-	125	125
Trade and other receivables less prepayments	7,802	-	-	71	7,873
	<u>7,802</u>	<u>-</u>	<u>-</u>	<u>196</u>	<u>7,998</u>
<b>Liabilities</b>					
Trade and other payables	-	-	-	(4,026)	(4,026)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,026)</u>	<u>(4,026)</u>
<b>Net assets</b>	<u>7,802</u>	<u>-</u>	<u>-</u>	<u>(3,830)</u>	<u>3,972</u>

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Interest rate risk

The Company's interest rate risk arises from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams. Interest rate risk is monitored at a Group level by the Group Finance Committee. In terms of cash and other interest bearing investments, the Company must comply with the Group Investment Policy. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 12 months, unless approved by the Group Finance Committee.

As at 31 March 2017 there were no instruments with a contracted maturity or re-pricing date in excess of 12 months.

The Company estimates that an increase of 1% in interest rates would have an impact of £1,500 (2016: £1,250) on the Company's profit before tax.

The Company's interest rate profile as at 31 March 2017 was as follows:

	<u>None</u> £'000	<u>Fixed</u> £'000	<u>Variable</u> £'000	<u>Total</u> £'000
<b>Assets</b>				
Cash and cash equivalents	-	143	10	153
Trade and other receivables less prepayments	8,274	-	-	8,274
	<u>8,274</u>	<u>143</u>	<u>10</u>	<u>8,427</u>
<b>Liabilities</b>				
Trade and other payables	(2,597)	-	-	(2,597)
	<u>(2,597)</u>	<u>-</u>	<u>-</u>	<u>(2,597)</u>

The Company's interest rate profile as at 31 March 2016 was as follows:

	<u>None</u> £'000	<u>Fixed</u> £'000	<u>Variable</u> £'000	<u>Total</u> £'000
<b>Assets</b>				
Cash and cash equivalents	-	115	10	125
Trade and other receivables less prepayments	7,873	-	-	7,873
	<u>7,873</u>	<u>115</u>	<u>10</u>	<u>7,998</u>
<b>Liabilities</b>				
Trade and other payables	(4,026)	-	-	(4,026)
	<u>(4,026)</u>	<u>-</u>	<u>-</u>	<u>(4,026)</u>



# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Price Risk

The Company's activities do not expose it to price risk.

#### Credit risk

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the Company. The Company's exposure to credit risk is limited since it acts as an intermediary whereby business is transacted on an agency basis. All counterparties are subject to regular review and assessment by regional credit officers and credit limits are set and approved by the appropriate credit committee as overseen by the Group Finance Committee. Limits are set based on Group parameters determining the maximum loss any one company (within the Group) can suffer as a result of counterparty default.

The Company has no significant concentrations of credit risk and the maximum exposure is limited to intercompany balances (note 11). There are no financial assets which are past due or impaired.

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This is important to ensure that the Company can meet all present and future financial obligations as they fall due and comply with regulatory requirements. The Group Finance Committee monitors free cash resources ensuring that all companies within the Group maintain sufficient resources to finance their operations and that all investments comply with the Group Investment Policy. This dictates borrowing and investing limits based on an institution's credit rating and the nature of financial instruments that can be held.

The Company's exposure to liquidity risk is not significant.

The following tables show the maturity of the Company's liabilities as at 31 March 2017 and 2016:

	On demand	Less than 3 months	3 months to 1 year	More than 1 year	Total
<b>31 March 2017</b>					
	£'000	£'000	£'000	£'000	£'000
<b>Liabilities</b>					
Trade and other payables	(900)	(1,380)	(317)	-	(2,597)
	<u>(900)</u>	<u>(1,380)</u>	<u>(317)</u>	<u>-</u>	<u>(2,597)</u>
<b>31 March 2016</b>					
	£'000	£'000	£'000	£'000	£'000
<b>Liabilities</b>					
Trade and other payables	(2,201)	(1,112)	(713)	-	(4,026)
	<u>(2,201)</u>	<u>(1,112)</u>	<u>(713)</u>	<u>-</u>	<u>(4,026)</u>

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of financial instruments are determined as per the Company's accounting policies.

As at 31 March 2017 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (2016: none).

### 3. KEY ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The Company makes various judgements in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities.

As at 31 March 2017 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements.

### 4. ADMINISTRATIVE EXPENSES

Administrative expenses include the following:

	<u>Year ended</u> <u>31/03/2017</u>	<u>Year ended</u> <u>31/03/2016</u>
	£'000	£'000
Salary and payroll costs (Note 5)	9,150	7,161
Other staff costs	213	400
Travelling and entertainment expenses	664	736
Market data and telecom expenses	374	472
Professional and legal fees	133	643
Overhead expense recharges	641	678
Depreciation of tangible assets	11	13
Others	135	168
	<u>11,321</u>	<u>10,271</u>

The Company's administrative expenses includes costs paid in relation to a share option scheme of £54,000 (2016: £159,000) for options over ordinary shares in Traiana Inc., the Company's immediate parent company.

The Company's auditors' remuneration in the UK was £8,755 (2016: £9,000), which has been borne by another Group company.

Fees paid to the Company's auditor, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of its parent, NEX Group plc, include these fees on a consolidated basis.

Management recharge expenses primarily relate to services performed by the Company on behalf of Traiana Inc, its immediate parent.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 5. SALARY AND PAYROLL COSTS

Staff costs borne by the Company and included within the management recharge comprise:

	<u>Year ended</u> <u>31/03/2017</u>	<u>Year ended</u> <u>31/03/2016</u>
	£'000	£'000
Employee costs:		
Wages and salaries	8,053	6,438
Social security costs	989	628
Other pension costs	108	95
	<u>9,150</u>	<u>7,161</u>

The monthly average number of persons employed by the Company during the year was 66 (2016: 53).

All staff costs were borne by a fellow subsidiary company of NEX Group plc and were charged to the Company by way of the Group management charges referred to in note 4.

### 6. DIRECTORS' REMUNERATION

No fees were paid to the directors in respect of services to the Company during the year (2016: nil).

### 7. OTHER OPERATING INCOME

This represents exchange differences arising on transactions in foreign currencies during the year and on the translation at the balance sheet date of monetary assets and liabilities denominated in foreign currencies.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 8. TAX CHARGE ON PROFIT

	Year ended 31/03/2017 £'000	Year ended 31/03/2016 £'000
a) Analysis of charge for the year		
Current tax:		
UK Corporation tax	397	298
Adjustments in respect of prior years	-	1
	<u>397</u>	<u>299</u>
Deferred tax:		
Deferred tax (note 10) - current year	48	(48)
Adjustments in respect of prior years (note 10)	-	(6)
	<u>48</u>	<u>(54)</u>
	<u>445</u>	<u>245</u>
b) Factors affecting the tax charge for the year		
Profit before tax	<u>2,084</u>	<u>865</u>
Profit before tax calculated at corporation tax rate of 20% (2016: 20%)	417	173
Effects of:		
Change in tax rate for deferred tax	(3)	3
Expenses not deductible for tax purposes	31	74
Adjustments in respect of prior years – current tax	-	1
Adjustments in respect of prior years – deferred tax	-	(6)
Tax charge for the year	<u>445</u>	<u>245</u>
Effective tax rate	21.4%	28%

The standard rate of Corporation Tax in the UK is 20%. A further reduction to the main rate was substantively enacted in Finance Act 2016 reducing it to 19% from 1 April 2017 and 17% from 1 April 2020.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 9. TANGIBLE ASSETS

	<u>Short leasehold</u> £'000	<u>Fixtures, fittings and equipment</u> £'000	<u>Total</u> £'000
<b>Cost</b>			
As at 1 April 2016 and 31 March 2017	38	106	144
<b>Accumulated depreciation</b>			
As at 1 April 2016	15	99	114
Charge for the year	4	7	11
As at 31 March 2017	19	106	125
<b>Net book value</b>			
As at 31 March 2017	19	-	19
<b>Cost</b>			
As at 1 April 2015 and 31 March 2016	38	106	144
<b>Accumulated depreciation</b>			
As at 1 April 2015	12	89	101
Charge for the year	3	10	13
As at 31 March 2016	15	99	114
<b>Net book value</b>			
As at 31 March 2016	23	7	30

### 10. DEFERRED TAX ASSET

The deferred tax asset was as follows:

	<u>As at 31/03/2017</u> £'000	<u>As at 31/03/2016</u> £'000
Capital allowances	7	7
Employee related items	-	48
	<u>7</u>	<u>55</u>
	<u>2017</u> £'000	<u>2016</u> £'000
At beginning of the year	55	1
Transferred to the profit and loss account (note 8)	(48)	54
As at end of the year	<u>7</u>	<u>55</u>

A deferred tax asset has been recognised as it is more likely than not that there will be sufficient taxable profits in the UK group in the foreseeable future against which the temporary difference can be utilised.

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 11. TRADE AND OTHER RECEIVABLES

	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
<b>Current</b>		
Amounts due from		
- intermediate parent	-	649
- immediate parent	8,233	7,153
Prepayments and accrued income	30	38
Other tax and social security	41	71
	<u>8,304</u>	<u>7,911</u>

### 12. CASH AND CASH EQUIVALENTS

	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
Cash at bank	10	10
Short-term bank deposits	143	115
	<u>153</u>	<u>125</u>

The short-term bank deposits have a maturity of less than 30 days.

### 13. TRADE AND OTHER PAYABLES

	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
Amounts owed to		
-related companies	900	2,201
Accruals	1,683	1,811
Other creditors	14	14
	<u>2,597</u>	<u>4,026</u>

### 14. SHARE CAPITAL

	<u>As at</u> <u>31/03/2017</u> £'000	<u>As at</u> <u>31/03/2016</u> £'000
<b>Allotted and fully paid:</b>		
2 Ordinary shares of £1 each (2016: 2)	-	-
	<u>-</u>	<u>-</u>

# TRAIANA LIMITED

## Notes to the financial statements for the year ended 31 March 2017

### 15. IMMEDIATE, INTERMEDIATE AND ULTIMATE PARENT COMPANY

The Company's immediate parent is Traiana, Inc, which prepares consolidated financial statements. The Company's intermediate parents are NEX Optimisation Limited, NEX Group Holdings plc and ICAP plc.

The Company's ultimate parent is NEX Group plc, which is incorporated in England and Wales, and heads the largest group of companies of which the Company is a member. NEX Group plc prepares consolidated financial statements in accordance with IFRS and copies may be obtained from the Company Secretary, NEX Group plc, 2 Broadgate, London, EC2M 7UR.

The Company entered into the following transactions with related parties who are members of the Group:

	<u>Year ended</u> <u>31/03/2017</u>	<u>Year ended</u> <u>31/03/2016</u>
	£'000	£'000
Cost of management services received:		
Fellow subsidiary companies	(11,310)	(10,258)
Mark-up on services provided to fellow subsidiary company	12,168	11,006

The Company had the following net outstanding balances owed by related parties who are members of the Group:

	<u>As at</u> <u>31/03/2017</u>	<u>As at</u> <u>31/03/2016</u>
	£'000	£'000
Intermediate parent company	-	649
Immediate parent company	8,233	7,153
Related companies	(900)	(2,201)
	<u>7,333</u>	<u>5,601</u>

All balances are unsecured, non-interest bearing and have no fixed terms of repayment.

#### Remuneration of key management personnel

There are no key management personnel other than the directors of the Company. Directors' remuneration is disclosed in note 6.