

**KALIXA ACCEPT LIMITED**  
**(FORMERLY CQR UK PAYMENT SOLUTIONS LIMITED)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

Registration number 05433326

TUESDAY



\*R2OD3DYH\*

RM

31/12/2013

#158

COMPANIES HOUSE

---

## **KALIXA ACCEPT LIMITED**

### **CONTENTS**

---

Company Information	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	3
Independent Auditors' Report	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11

---

The following pages do not form part of the statutory financial statements

Unaudited detailed Profit and Loss Account	12
--	----

---

## **KALIXA ACCEPT LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

---

The directors present their report and the financial statements for the year ended 31 December 2012

#### **Directors of the company**

The directors who held office during the year were as follows

K Hedjri

A Quirke (Resigned 28 August 2013)

K Richter-Weiss

J Leigh (Appointed 1 October 2013)

#### **Principal activity**

The principal activity of the Company is to provide online payment services to merchants. In order to provide some of these payment services, the company is authorised and regulated by the Financial Conduct Authority under the Payment Services Regulations 2009. The Company is also a principal member of Visa and MasterCard for card acquiring.

The Company holds commercial agreements with merchants to supply payment services including payment gateway, aggregation services and card acquiring. The payment gateway service offers the merchant a technical connection to many payment providers via a technical payment platform. The aggregation service offers the merchant a turnkey payment processing solution where technical and commercial relationships are handled by the Company including a full cash management service. As a card acquirer for Visa and MasterCard, the Company can directly enter into contracts with merchants to offer merchant acquiring services.

In order to offer payment services, the Company has entered into agreements with various payment service providers to make their local multicurrency payment services available on the payment platform.

#### **Change of Legal Entity Name**

On the 4 April 2013 by special resolution CQR UK Payments Solutions Limited changed its legal entity name to Kalixa Accept Limited.

#### **Results**

The company had a loss for the year of £116,607, for the year ended 31 December 2011 it made a profit of £353,966.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

#### **Political and charitable donations**

There were no political or charitable donations during the year (2011: nil).

#### **Supplier payment policy**

The company subscribes to the Better Payment Practice Code, the four principles of which are: to agree payment terms at the outset to them, to explain payment procedures to suppliers, to pay bills in accordance with any contract agreed with the supplier or as required by law, and to tell suppliers without delay when an invoice is contested and settles disputes quickly. Copies of, and information about, the Code is available from The Department of Trade and Industry, No. 1 Victoria Street, London SW1H 0ET. The Company's suppliers are paid to agreed contractual terms and no later than 45 days after transaction or invoice date.

## **KALIXA ACCEPT LIMITED**

### **COMPANY INFORMATION**

---

<b>Directors</b>	K Hedjri K Richter-Weiss J Leigh
<b>Company secretary</b>	R G Hoskin
<b>Registered office</b>	3rd Floor One New Change London EC4M 9AF

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KALIXA ACCEPT LIMITED**

---

We have audited the financial statements of Kalixa Accept Limited for the year ended 31 December 2012 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.



Kieran Storan (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Chartered Accountants  
55 Baker Street  
London  
W1U 7EU

Date: *2 December 2013*

**KALIXA ACCEPT LIMITED**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**  
**..... CONTINUED**

---

**Appointment of new auditors**

The auditors BDO LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Directors' indemnities**

The Company maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its directors. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year ended 31 December 2012 in relation to certain losses and liabilities which the directors may incur to third parties.

**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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).


Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


Approved by the Board on . and signed on its behalf by

  
.....  
K Hediri  
Director

**KALIXA ACCEPT LIMITED (REGISTRATION NUMBER: 05433326)**  
**BALANCE SHEET AT 31 DECEMBER 2012**

		2012	2011
	Note	£	£
<b>Fixed assets</b>			
Intangible fixed assets	7	177,140	228,218
<b>Current assets</b>			
Debtors	8	112,051,985	14,230,369
Cash at bank and in hand		8,518,529	23,625,880
<b>Total current assets</b>		<b>120,570,514</b>	<b>37,856,249</b>
<b>Creditors: Amounts falling due within one year</b>	9	<b>(119,691,013)</b>	<b>(36,255,602)</b>
<b>Net current assets</b>		<b>879,501</b>	<b>1,600,647</b>
<b>Total assets less current liabilities</b>		<b>1,056,641</b>	<b>1,828,865</b>
<b>Creditors: Amounts falling due after more than one year</b>	10	<b>-</b>	<b>(655,617)</b>
<b>Net assets</b>		<b>1,056,641</b>	<b>1,173,248</b>
<b>Capital and reserves</b>			
Called up share capital	11	810,467	810,467
Profit and loss account	12	246,174	362,781
<b>Shareholders' funds</b>	13	<b>1,056,641</b>	<b>1,173,248</b>

Approved by the Board on 2 12 13 and signed on its behalf by:

  
K Hedderley  
Director

**KALIXA ACCEPT LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012**

---

	Note	£ 2012	£ 2011
Turnover	2	9,718,109	3,415,682
Cost of sales		(8,291,853)	(2,632,015)
Gross profit		1,426,256	783,667
Administrative expenses		(1,556,952)	(424,030)
Operating (loss)/profit	3	(130,696)	359,637
Other interest receivable and similar income	5	18,552	8,473
Interest payable and similar charges		(7,522)	(14,530)
(Loss)/profit on ordinary activities before taxation		(119,666)	353,580
Tax on (loss)/profit on ordinary activities	6	3,059	386
(Loss)/profit for the financial year	12	(116,607)	353,966

---

Turnover and operating profit derive wholly from continuing operations

The Company has no recognised gains or losses for the year other than the profit/losses above and therefore no separate Statement of Total Recognised Gains and Losses has been prepared



## KALIXA ACCEPT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### Foreign currency

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

## 2 Turnover

An analysis of turnover by geographical location is given below

	2012 £	2011 £
Sales - UK	304,434	327,656
Sales - Europe	9,413,675	3,088,026
	<u>9,718,109</u>	<u>3,415,682</u>

## 3 Operating (loss)/profit

Operating (loss)/profit is stated after charging.

	2012 £	2011 £
Auditor's remuneration - The audit of the company's annual accounts	60,200	28,800
Foreign currency losses/(gains)	666,776	(194,476)
Amortisation	51,078	27,173
Salaries and wages	180,401	245,612
Personnel costs	7,010	5,583

The number of staff employed at the end of the year was 3 (2011: 2)

## 4 Directors' remuneration

The directors' remuneration for the year was as follows

	2012 £	2011 £
Remuneration (including benefits in kind)	<u>-</u>	<u>54,040</u>

The salary charge in 2011 represents a management charge from a sister company and represents the time spent by the director.

The total remuneration of the highest paid director was £nil (2011: £54,040)

**KALIXA ACCEPT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

---

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared in accordance with the Companies Act 2006 and other applicable accounting standards and under the historical cost rules

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement as a parent undertaking includes the Company in its own published consolidated financial statements

As the Company is a wholly owned subsidiary of bwin party Digital Entertainment PLC, the Company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as below

**Turnover**

Turnover represents amounts chargeable in respect of services to customers and is recognised when the service is provided. The Company has three revenue models - payment gateway, aggregation services and card acquiring

The payment gateway service offers the merchant a technical connection to many payment providers via the technical payment platform

The aggregation service offers the merchant a turnkey payment processing solution where technical and commercial relationships are handled by the Company including a full cash management service

As a card acquirer for Visa and MasterCard, the Company can directly enter into contracts with merchants to offer merchant acquiring services

**Intangible Assets**

Intangible assets are recognised at cost less accumulated amortisation and any provision for impairment. Amortisation is charged on all intangible fixed assets at rates calculated to write-off the cost of each asset on a straight line basis over its estimated useful life from the date it was brought into use.

<b>Asset class</b>	<b>Amortisation method and rate</b>
Licence costs	20% straight line basis

**Taxation**

Income tax expense represents the sum of the directors best estimate of taxation exposures and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit and Loss Account because it excludes items of revenue or cost that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using rates that have been enacted or substantively enacted by the reporting date

**Deferred tax**

Deferred tax is recognised in respect of all timing differences where transactions or events that have originated but not reversed at the balance sheet date result in an obligation to pay more tax in the future, or a right to pay less tax in the future

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**KALIXA ACCEPT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

**7. Intangible fixed assets**

	<b>Licence costs £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2012	255,391	255,391
At 31 December 2012	255,391	255,391
<b>Amortisation</b>		
At 1 January 2012	27,173	27,173
Charge for the year	51,078	51,078
At 31 December 2012	78,251	78,251
<b>Net book value</b>		
At 31 December 2012	177,140	177,140
At 31 December 2011	228,218	228,218

The licence costs relate to scheme licences acquired in order to provide card acquiring services

**8. Debtors**

	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	9,486,314	6,662,008
Amounts owed by group undertakings and undertakings in which the company has a participating interest	101,922,620	6,874,705
Other debtors	643,051	693,656
	<u>112,051,985</u>	<u>14,230,369</u>

**9 Creditors: Amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Trade creditors	11,544,740	1,262,035
Amounts owed to group undertakings	108,048,177	34,896,922
Other taxes and social security	6,254	6,854
Accruals and deferred income	91,842	89,791
	<u>119,691,013</u>	<u>36,255,602</u>

**10 Creditors: Amounts falling due after more than one year**

	<b>2012 £</b>	<b>2011 £</b>
Amounts owed to group undertakings	-	655,617

**KALIXA ACCEPT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

**5 Other interest receivable and similar income**

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
	<u>18,552</u>	<u>8,473</u>
Bank interest receivable	18,552	8,473

**6 Taxation**

**Tax on (loss)/profit on ordinary activities**

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
<b>Current tax</b>		
Corporation tax charge	-	-
Adjustments in respect of previous years	(3,059)	(386)
UK Corporation tax	<u>(3,059)</u>	<u>(386)</u>

**Factors affecting current tax charge for the year**

Tax on loss on ordinary activities for the year is lower than (2011 – lower than) the standard rate of corporation tax in the UK at 24% (2011 – 26.5%)

The differences are reconciled below

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Loss / Profit on ordinary activities before tax	<u>(119,666)</u>	<u>353,580</u>
Corporation tax at standard rate	(28,720)	93,699
Disallowable expenses	8	241
Over provision from prior year	(3,059)	(386)
Tax losses carried forward / (utilised)	28712	-
Group relief claimed	-	(93,940)
Total current tax	<u>(3,059)</u>	<u>(386)</u>

No deferred tax assets have been recognised by the Company due to the uncertainty in relation to timings of future profits

**KALIXA ACCEPT LIMITED**  
**UNAUDITED DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	£	£
<b>Turnover</b>	9,718,109	3,415,682
<b>Cost of sales</b>	<u>(8,291,853)</u>	<u>(2,632,015)</u>
<b>Gross profit</b>	1,426,256	783,667
<b>Administrative expenses</b>		
Salaries and wages	180,401	245,612
Personnel costs	7,010	5,583
Travelling	10,809	4,684
Rent and rates	-	12,000
Printing, postage and stationery	2,581	104
Sundry expenses	(359)	2,635
Entertaining	33	908
Accountancy fees	10,490	33,527
Auditors remuneration	60,200	28,800
Legal and professional fees	6,622	42,138
Bad debts written off	-	125,098
Bank charges	561,311	90,244
Foreign currency (gains)/losses	666,776	(194,476)
Amortisation of development costs	<u>51,078</u>	<u>27,173</u>
	(1,556,952)	(424,030)
<b>Other interest receivable and similar income</b>	18,552	8,473
<b>Interest payable and similar charges</b>	(7,522)	(14,530)
<b>(Loss)/profit on ordinary activities before taxation</b>	<u>(119,666)</u>	<u>353,580</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

**KALIXA ACCEPT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

**11 Share capital**

**Allotted, called up and fully paid shares**

	<b>2012</b>		<b>2011</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	810,467	810,467	810,467	810,467

**12 Reserves**

	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 January 2012	362,781	362,781
Loss for the year	(116,607)	(116,607)
At 31 December 2012	246,174	246,174

**13 Reconciliation of movement in shareholders' funds**

	<b>2012 £</b>	<b>2011 £</b>
(Loss)/profit attributable to the members of the company	(116,607)	353,966
Net (reduction)/addition to shareholders' funds	(116,607)	353,966
Shareholders' funds at 1 January	1,173,248	819,282
Shareholders' funds at 31 December	1,056,641	1,173,248

**14 Related party transactions**

The Company is a subsidiary undertaking of bwin party Digital Entertainment PLC incorporated in Gibraltar, which is the Company's ultimate holding company. The Company's immediate holding company is Kalixa Operations GmbH incorporated in Austria.

The consolidated accounts of bwin party Digital Entertainment PLC are available to the public and may be obtained from the Company website - [www.bwinparty.com](http://www.bwinparty.com) or at the Company address which is Suite 6 Atlantic Suites, Europort Avenue, Gibraltar.