

## **Worldpay AP Ltd.**

Annual report and financial statements  
Registered company number 05593466  
31 December 2022



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## Company information

### Directors

S Smith  
P Wickes  
JM Robinson  
GLAM Bernard-de Montessus de Ballore  
K Patel

### Secretary

Worldpay Governance Limited

### Country of registration

England and Wales

### Company number

05593466

### Registered office

The Walbrook Building  
25 Walbrook  
London  
EC4N 8AF

## Strategic report

The Directors of Worldpay AP Ltd. (“the Company”) present their Strategic report for the year ended 31 December 2022. The Company is wholly owned by Fidelity National Information Services, Inc. (the “Group” and/or “FIS”). The Company forms part of the Group’s Merchant Solutions division (“Worldpay”).

### Statement by the Directors in relation to Performance of their Statutory Duties in accordance with Section 172(1) Companies Act 2006

The Directors are fully aware of their duty under section 172(1) of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole. This statement describes how the Directors have taken account of the matters set out in section 172(1) (a) to (f) of the Companies Act 2006, when performing their duty to promote the success of the Company.

- *the likely consequences of any decision in the long-term*  
The Directors take a long-term view in reaching key decisions, with a strategy designed to ensure that our business remains successful in a rapidly changing market, creating sustainable value for all our stakeholders.
- *the interests of the Company’s employees*  
The Directors want the Company to be a great place to work and for colleagues to have long-term successful careers within the Company and we invest in our people to realise their full potential. The Company expects colleagues to treat each other, our clients and our partners with respect and embrace each other’s differences. The Company is committed to promoting diversity and inclusion in the workplace.
- *the need to foster the Company’s business relationships with suppliers, customers and others*  
When making decisions, the Directors look to act in the interests of stakeholders as a whole and to ensure all stakeholders are fairly treated. The Company’s stakeholder engagement activities help to inform the Directors’ decisions.
- *the impact of the Company’s operations on the community and the environment*  
The Company is committed to bringing out the best in its people and fostering a sense of community and belonging, and it actively encourages colleagues to make a meaningful contribution by giving something back to their local communities. We provide employees with one day’s paid leave, in addition to their annual leave provision, so that they can use that time to volunteer for a good cause of their choice. The Company is committed to helping ensure that our planet is a sustainable home for current and future generations. The Company’s strategy is to build a sustainable business and includes focusing on energy and emissions reduction, energy efficiency and proper waste management.
- *the desirability of the Company maintaining a reputation for high standards of business conduct*  
The Company promotes high legal, ethical, corporate and colleague-related standards in our own business. FIS is strongly opposed to slavery and human trafficking, and we will not knowingly support or do business with any organisation that is involved in either. This commitment is underpinned by our corporate policies which seek to ensure transparency in our employment and supply chains.
- *the need to act fairly between members of the Company*  
As a wholly owned subsidiary of FIS, the Directors of the Company always give fair and due consideration to all proposals to ensure the sole member is treated fairly whilst acting with the required autonomy.

### Business review

The Company is a UK FCA regulated global payments service provider that offers single point access to popular local payment and collection services worldwide (including many real time payment services). This global network is used to send and receive money at low cost, quickly and securely on behalf of merchants to and from suppliers, affiliates, partners, overseas offices and customers worldwide.

The Company forms part of the group headed by Fidelity National Information Services, Inc., (NYSE: FIS).

The Company’s business forms part of Worldpay’s Merchant Solutions business and is focused on six global eCommerce vertical markets: Digital Content, Global Retail, Airlines, Travel, Gambling and Video Games.

## Strategic report (continued)

### Business review (continued)

Revenues at £25.6m were lower than the prior year (2021: £29m) due to a decrease in merchant activity, particularly in the Gambling and Travel verticals. Gross profit is at £15.8m (2021: £15.8m).

### Key performance indicators (KPIs)

The Company is part of a group that monitors performance at a level defined by the principal market segments in which the Group operates. KPIs are measured on the performance of such market segments rather than at a legal entity level.

Profit after tax for the year was £14.2m (2021: £9.6m) leaving net assets of £60.9m (2021: £48.3m).

### Future developments

The Directors of the Company are satisfied with the Company's performance in the year which is presented in the profit and loss account on page 11. The future objectives continue to be the growth and development of the business and the Directors consider it well positioned to take advantage of opportunities for further growth in the future.

### Principal risks and uncertainties

#### Risk management

The Board takes very seriously the importance of fully understanding and managing the risks inherent in the business and an established Enterprise Risk Management Framework drives our approach to risk management. The framework sits alongside the Strategic Plan and sets out the activities, tools and techniques used to ensure that all material risks are identified and that a consistent approach is integrated into business management and decision making across the Company.

Whilst the Board of Directors is ultimately responsible for the management and governance of risk across the Company, it is expected that every employee of the FIS Group is to take responsibility for the management of risk. To facilitate this, the FIS Group operates a 'three lines of defence' model which clearly identifies accountabilities and responsibilities for risk as follows:

- Business line management has primary responsibility for the management of risk;
- Risk and Compliance functions assist management in developing their approach to fulfil their responsibilities and provide oversight of first line activities; and
- The Internal Audit function verifies that the risk management process and the risk and internal control framework are effective and efficient.

#### Principal risks

Global economic, political and other conditions, including the conflict in Ukraine, might adversely affect our clients or trends in consumer spending, which could impact the demand for our services and our revenue and profitability.

A significant portion of the FIS Group's revenue is derived from transaction processing fees. The global transaction processing industries depend heavily upon the overall level of consumer, business and government spending. Global health concerns relating to the COVID-19 pandemic and related government actions taken began to subside in 2022, primarily due to the successful rollout of vaccinations across the world. Much of the US and Europe saw lockdowns end early in the year and the resumption of business and international travel, with other regions following throughout the year. However, during 2022, the level of macroeconomic uncertainty heightened and potential recessions in several of the FIS Group's markets are projected, with the conflict in Ukraine being a fundamental driver of this. While direct impacts of the conflict on the operational activities of the Company are deemed to be very low, it has contributed to a high-inflationary environment which is impacting living costs and might pose risks to the Company such as a potential downturn in discretionary spending, wage inflation and enhanced volatility in interest rates. Due to the unpredictable nature of these risks, the Company and its ultimate parent are monitoring the situation closely on an ongoing basis and have captured this within existing wider mitigation strategies.

## Strategic report (continued)

### Principal risks and uncertainties (continued)

Our revenue relating to all aspects of the sale of services to members of Visa, MasterCard and other payment networks is dependent upon our continued certification and sponsorship, and the loss or suspension of certification or sponsorship could adversely affect our business.

In order to provide our card processing services, we must be certified (including applicable sponsorship) by Visa, MasterCard, American Express, Discover and other similar organisations. These certifications are dependent upon our continued adherence to the standards of the issuing bodies and sponsoring member banks. The member financial institutions, some of which are our competitors, set the standards with which we must comply. If we fail to comply with these standards, then we could be fined, our certifications could be suspended, or our registration could be terminated. The suspension or termination of our certifications, or any changes in, or the enforcement of, the rules and regulations governing or relating to the businesses of Visa, MasterCard or other payment networks, could result in a reduction in revenue or increased costs of operation for us, which in turn could have a material adverse effect on our business. The FIS Group has several teams in place to manage our relationships with the payment networks, monitor the rules and regulations imposed on us and implement necessary changes to minimise the risks of non-compliance with standards.

Our business is subject to the risks of international operations, including movements in foreign currency exchange rates.

The international operations of the FIS Group are largely conducted in currencies other than the functional currency of the FIS Group, USD, including GBP and EUR. The FIS Group continues to expand its international presence by offering merchant acquiring services, including eCommerce, in new territories. The business of the Company and financial results could be adversely affected due to a variety of relative factors, including the following:

- changes in a specific country or region's political and cultural climate or economic condition, including change in governmental regime;
- unexpected or unfavourable changes in foreign laws, regulatory requirements and related interpretations;
- difficulty of effective enforcement of contractual provisions in local jurisdictions;
- inadequate intellectual property protection in foreign countries;
- trade sanctions imposed by governments with jurisdictional authority over our business operations;
- the effects of applicable and potentially adverse foreign tax law changes;
- significant adverse changes in foreign currency exchange rates;
- longer accounts receivable cycles;
- managing a geographically dispersed workforce; and
- trade treaties, tariffs or agreements that could adversely affect our ability to do business in affected countries.

As the FIS Group expand international operations, revenues might become increasingly more diverse as more clients may wish to pay in their local currency. Conducting business in currencies other than the USD subjects us to fluctuations in foreign currency exchange rates that could negatively impact results. The FIS Group's primary exposure to movements in foreign currency exchange rates relates to foreign currencies in Europe, including the UK, Brazil and parts of Asia. The USD value of our net investments in foreign operations, the periodic conversion of foreign-denominated earnings to USD, and the results of operations and, in some cases, cash flows, could be materially impacted by movements in foreign currency exchange rates. These risks could cause an adverse effect on the business, financial position and results of operations of the FIS Group. The FIS Group maintains an effective Treasury function tasked with monitoring fluctuations in foreign currency exchange rates and employing hedging strategies to minimise the Company's exposure to detrimental movements in exchange rates.

Security breaches, privacy breaches, cyber-attacks, or our failure to comply with information security laws or regulations or industry security requirements, could harm our business by disrupting delivery of services and damaging the reputation of the Company and could result in a breach of one or more client contracts.

The FIS Group electronically receives, processes, stores and transmits sensitive business information of its clients. Such information is necessary to support clients' transactions. The uninterrupted operation of information systems, as well as the confidentiality of the customer/consumer information that resides on such systems, is critical to our successful operation. For that reason, cybersecurity is one of the principal operational risks the FIS Group faces as a provider of services to merchants. Any inability to prevent security or privacy breaches, or the perception that such breaches might occur, could cause existing clients to lose confidence in our systems and terminate their agreements with the FIS Group, inhibit our ability to attract new clients, result in increasing regulation, or bring about other adverse consequences from the regulators.

**Strategic report (continued)****Principal risks and uncertainties (continued)**

Constantly evolving global privacy, data protection and cybersecurity laws require the FIS Group's Information Security function to adopt new business practices, update contractual provisions in existing and new contracts, and constantly update our global Privacy and Data Protection Programme and our global Information Security Programme, which might require transitional and incremental expenses and might impact our future operating results.

*Fraud by merchants or others could have a material adverse effect on the Company's business, financial condition, and results of operations.*

In the wider business of the FIS Group, encompassing the Company, we face potential liability for fraudulent electronic payment transactions initiated by merchants, third parties or other associated participants. Examples of merchant fraud include:

- when a merchant or other party knowingly accepts payment by a stolen or counterfeit credit, debit or prepaid card, card number or other credentials;
- recording a false sales transaction using a stolen or counterfeit card or credentials;
- processing an invalid card; or
- intentionally failing to deliver the merchandise or services sold in an otherwise valid transaction.

In the event a dispute between a cardholder and a merchant is not resolved in the merchant's favour, the merchant normally becomes liable for the transaction as it is charged back to the merchant, and the purchase price is credited or otherwise refunded to the cardholder with the FIS Group having to collect the amount due from the merchant. Failure to manage risk effectively and prevent fraud or other criminal activity could increase the FIS Group's chargebacks or other liabilities. Increases in chargebacks or other liabilities due to merchant failures or otherwise could have a material adverse effect on our business, financial condition, and results of operations. The FIS Group's fraud risk and credit risk teams work diligently to monitor potentially fraudulent transactions, increases in chargebacks and merchant financial health to take proactive action to minimise loss and liabilities to the Company.

*FIS sale of Worldpay might impact operations, regulatory compliance and business continuity as operations are de-merged.*

In February 2023, FIS CEO Stephanie Ferris announced the spin-off of the Merchant Solutions division of the FIS Group, with the intention to establish Worldpay as a new, publicly traded company. In July 2023, it was announced that private equity firm GTCR would purchase a 55% stake in Worldpay and that consequently and that the previously proposed spin-off would not take place. The sale is expected to be completed in Q1 2024. De-merging the two companies will create additional risks and uncertainties for the two organisations. The planned sale might not be completed in accordance with the expected plans or on the anticipated timeline, or at all, and will involve significant time, expense and resources, which could disrupt or adversely affect our business. A Separation Management Office has been established to carefully manage the separation process and to identify the key risks involved. The Directors of the Company and of the international Worldpay regulated entities are closely monitoring the risk profile of the transaction to ensure disruption is minimised and the separation is successful for all stakeholders.

On behalf of the Board

DocuSigned by:  
  
DE2F5223F2474E8...  
**Krunal Patel**  
Director

27 October 2023

## Directors' report

The Directors of Worldpay AP Ltd. present their report and the financial statements for the year ended 31 December 2022. The business review and principal risks and uncertainties which are required by law to be included in this report have been included instead in the Strategic report.

### Directors & Secretary

The Directors who held office during the period and to the date of signing of these financial statements were as follows:

#### *Directors*

VA Daughtrey	(resigned 30 August 2023)
S Smith	(appointed 6 February 2023)
JE Roberts	(resigned 8 September 2022)
KT Thompson	(resigned 31 May 2022)
P Wickes	
JM Robinson	
GLAM Bernard de Montessus de Ballore	
K Patel	
TK Warren	(appointed 6 February 2023) (resigned 09 June 2023)

#### *Secretary*

Worldpay Governance Limited

### Dividends

Dividends of £1.7m (2021: £nil) were paid during the period ending 31<sup>st</sup> December 2022 and a dividend of £0.4m has been approved and paid since 31 December 2022 to the date of approval of these financial statements.

### Future developments

Details of the future development of the business are set out in the Strategic Report.

### Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should be identical to that of other employees.

### Political contributions

The Company made no political donations during the year.

### Statement of corporate governance arrangements

Pursuant to Paragraphs 21 to 30, Part 8, Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410). The Board of Directors of the Company\* have formally adopted and applied The Wates Corporate Governance Principles for Large Private Companies, ("The Wates Principles").

In line with the 'apply and explain' approach guidance under each principle, the Directors hereby explain their approach to applying each principle in respect of the corporate governance arrangements of the Company.

As a large private regulated subsidiary of FIS, the Board operates autonomous decision-making whilst incorporating and aligning to FIS Group-wide policies and culture, this demonstrates the Directors' commitment to accountability and acknowledgement of their Directors' duties whilst continually considering the needs of all Company stakeholders.

#### *PRINCIPLE 1: PURPOSE AND LEADERSHIP*

The Board of Directors develops and promotes the purpose of the Company, and ensures that its values, strategy and culture align with that purpose. The 'One FIS' group-wide culture forms the basis for this approach, always striving to win as one team, lead with Integrity and be the change. The 'FIS 3Cs' define the groups that the purpose and values are delivered for - our Colleagues, Clients and Communities. The FIS Culture is a result of these values being brought to life. The Board carries out its leadership and work in guiding the way in which the Company communicates, learns, leads, works as a team and challenges itself to always deliver for the 3Cs.



**Directors' report** *(continued)***Statement of corporate governance arrangements** *(continued)*

The Board meets annually to plan strategy. The Board clearly articulates and implements its strategy throughout the Merchant Solutions organisation, whilst working alongside its stakeholders.

The Board follows and aligns to the FIS group-wide policies in respect of business ethics, conflicts of interest and the prevention of financial crime aiming to achieve the highest standards possible. A memorandum of understanding ("MOU") is in place with FIS to set out the role and matters reserved for the Board of the Company and to encourage local autonomy for the Company's stakeholders.

**PRINCIPLE 2: BOARD COMPOSITION**

The composition of the Board is established with a balance of skills, backgrounds, experience and knowledge, with individual Directors having sufficient capacity to make a valuable contribution and an effective Chair. The Chair of the Board ensures the promotion of open debate and facilitates constructive discussion during the course of each Board meeting. Directors are provided with appropriately detailed information and sufficient time is given for meaningful Board discussion. Care is taken to ensure the Board's composition continues to accommodate an understanding of the Company's business needs and stakeholder interests, whilst establishing an appropriate balance of expertise, diversity and objectivity.

FIS champions a group-wide diversity and inclusion approach which goes beyond policy making, the composition of the Board which is aligned to the Group's approach to diversity and inclusion. The Board is made up of representatives from the business and from the ultimate shareholder to ensure ongoing engagement and stakeholder interests continue to be met.

Under the terms of the MOU, FIS is entitled to elect a Shareholder Representative Director to sit on the Board to enable escalations and improve linkage with the wider FIS Group.

The Board evaluates its performance and effectiveness every two years.

**PRINCIPLE 3: DIRECTOR RESPONSIBILITIES**

The Board, as a collective, and each individual Director, have a clear understanding of their accountability and responsibilities.

The Board's processes are designed and maintained to support effective decision-making. Board Directors, in addition to their legal responsibilities as Directors of the Company (pursuant to sections 170-181 of the Companies Act 2006), also act in recognition of regulatory obligations and the FIS Policy Management Framework, which provides a suite of frameworks and policies covering business, financial, compliance, legal, governance and risk management matters for the FIS Group, including subsidiary companies. The Company also has local policies, of which the Board oversee, approve and abide by.

Pursuant to the Companies Act 2006 and the Group-wide FIS Conflicts of Interest Standard, the Board ensures that, where any conflicts of interest are disclosed, that these are recorded and managed appropriately and if any on-going conflicts were to arise, consideration would be given to membership of the Board.

The Chair and Company Secretary periodically review the appropriateness and strength of the Company's corporate governance processes, continually considering areas for development. There is sufficient linkage between Company and its ultimate parent by way of Director representation on the Board. Because a number of those Directors are based in other areas of the wider FIS group, this enables an objective viewpoint on the Board to the Merchant Solutions business.

The Board retains overall responsibility for all matters reserved for the Board. However, the oversight of a variety of items are delegated to the Board Risk Committee, enabling a focussed approach to complex risk management matters.

Best endeavours are made to ensure that Board papers and supporting management information is accurate, clear, comprehensive, up-to-date and provided in a timely manner to the Board.

**PRINCIPLE 4: OPPORTUNITY AND RISK**

The Board promotes the long-term sustainable success of the Company by identifying opportunities to create and preserve value and establishing oversight for the identification and mitigation of risks.

As part of its annual strategic planning, the Board considers and assesses how the Company creates and preserves value over the long-term, taking into account tangible and intangible sources of value and stakeholder contribution. In line with the Matters Reserved for the Board, the Board oversees new opportunities for innovation and entrepreneurship, Board approval is required for new business opportunities.

## Directors' report (*continued*)

The Board Risk Committee oversees financial, non-financial and reputational risk at each quarterly Board Risk Committee meeting, this is compiled and presented by the FIS Risk team. The Chairman of the Board Risk Committee provides a verbal report to each quarterly Board meeting, escalating any matters of significance, and as a result, the Board are able to remain appropriately accountable to stakeholders and maintain the responsibilities they hold. In considering the size and nature of the business, internal control systems are in place to manage and mitigate emerging and principal risks. Established internal control systems enable the Board to make informed decisions.

The Board Risk Committee currently assesses and determines the risk appetite of the Company and makes recommendations to the Board for approval following in-depth analysis.

### *PRINCIPLE 5: REMUNERATION*

The FIS group aims to attract, engage and cultivate colleagues who can adapt and thrive in an ever-changing business and technology space. FIS are committed to helping colleagues learn, grow and excel with rewarding careers. The group-wide remuneration policy exists to support these objectives and attract the best possible talent to enable the business to grow, ultimately benefitting all stakeholder groups. As the Company is a wholly-owned subsidiary of FIS, the parent company sets remuneration practices and policies. Further details in respect of compensation processes can be found in the FIS Annual Report as well as the corporate governance section and careers sections of the FIS website, all of which can be found at [www.fisglobal.com](http://www.fisglobal.com).

### *PRINCIPLE 6: STAKEHOLDER RELATIONSHIPS AND ENGAGEMENT*

Directors foster effective stakeholder relationships aligned to the Company's purpose. The Board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions. Please refer to the section 172(1) statement in the Strategic Report to see further detail explaining how the Company achieves these objectives.

### **Going concern**

Forecasts for the Group are prepared by each business unit and overseen by the Board, covering a period of more than 12 months from the date of signing of these financial statements. On the basis of their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company will be able to continue in operational existence for a minimum period of 12 months from the date of signing and therefore the financial statements have been prepared on the going concern basis.

### **Directors' indemnities**

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

### **Auditor**

For the year ended 31 December 2022, the company was entitled to the exemption from an audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

By order of the Board

DocuSigned by:  
  
DE2F5223F2474E8...  
**Krunal Patel**  
Director

27 October 2023

Registered office: The Walbrook Building, 25 Walbrook, London, EC4N 8AF, United Kingdom

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT, AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Profit and Loss account**  
*for the year ended 31 December 2022*

	<i>Notes</i>	<b>2022</b> <b>£000</b>	2021 £000
Turnover	2	25,665	28,965
Cost of sales		(9,859)	(13,206)
<b>Gross profit</b>		<b>15,806</b>	15,759
Administrative expenses		(8,381)	(6,639)
<b>Operating profit</b>	3	<b>7,425</b>	9,120
Interest receivable and similar income	6	6,973	510
Interest payable and similar charges	7	(141)	(23)
<b>Profit before taxation</b>		<b>14,257</b>	9,607
Taxation	8	(9)	1
<b>Profit for the year</b>		<b>14,248</b>	9,608

All results relate to continuing operations and represent the Company's comprehensive income for the year. Accordingly, a separate statement of other comprehensive income has not been presented.

The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

**Balance Sheet**  
*As at 31 December 2022*

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
<b>Non-current assets</b>					
Investments	10	2		2	
Deferred tax asset		91		100	
			93		102
<b>Current assets</b>					
Debtors	11	9,242		21,276	
Merchant float		214,472		172,522	
Cash at bank and in hand		59,391		43,390	
		283,105		237,188	
<b>Creditors: amounts falling due within one year</b>	12	(222,315)		(188,967)	
<b>Net current assets</b>			60,790		48,221
<b>Total assets less current liabilities</b>			60,883		48,323
<b>Net assets</b>			60,883		48,323
<b>Capital and reserves</b>					
Called up share capital	13		-		-
Share premium			1,276		1,276
Capital contribution			225		225
Other reserves			94		94
Profit and loss account			59,288		46,728
<b>Shareholders' funds</b>			60,883		48,323

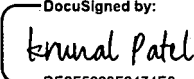
The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors and signed on its behalf by:

DocuSigned by:  
  
 DE2FE233F2474E8...  
**Krunal Patel**  
 Director  
 Company number: 05593466

27 October 2023

**Statement of Changes in Equity**  
*for the year ended 31 December 2022*

	<b>Share capital £000</b>	<b>Share Premium £000</b>	<b>Capital contribution £000</b>	<b>Other Reserves £000</b>	<b>Profit &amp; loss account £000</b>	<b>Total equity £000</b>
At 1 January 2021	-	1,276	225	94	37,120	38,715
Profit for the year	-	-	-	-	9,608	9,608
At 31 December 2021	-	1,276	225	94	46,728	48,323
Profit for the year	-	-	-	-	14,248	14,248
Dividend Paid	-	-	-	-	(1,686)	(1,686)
Translation Adjustment	-	-	-	-	(2)	(2)
At 31 December 2022	-	1,276	225	94	59,288	60,883

The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

## Notes to the financial statements

### 1 Accounting policies

#### *Basis of preparation*

Worldpay AP Ltd. ("the Company") is a private company limited by shares and incorporated, domiciled and registered in England and Wales.

The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out on the Strategic report.

These financial statements are presented in Pound Sterling which is the company's functional currency. All information is given to the nearest thousand pounds.

These financial statements have been prepared in accordance with FRS 101 *Reduced Disclosure Framework* and under the historical cost basis.

In preparing these financial statements, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- Statement of Cash Flows and related notes.
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets.
- Disclosures in respect of transactions with wholly owned subsidiaries.
- Disclosures in respect of capital management.
- The effects of new but not yet effective IFRSs.
- Disclosures in respect of the compensation of Key Management Personnel.

The Company is exempt by virtue of s400 of the Companies Act 2006 and IAS 27 *Consolidated and Separate Financial Statements* from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's immediate parent company is Worldpay eCommerce Limited. The ultimate parent undertaking is Fidelity National Information Services, Inc. ("the Group"). The consolidated financial statements of the Group are available to the public and may be obtained from 347 Riverside Avenue, Jacksonville, FL 32202, USA.

As the consolidated financial statements of the Group include the relevant disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 *Impairment of Assets* in respect of the impairment of goodwill and indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

#### *Going concern*

Forecasts are prepared for the Group by each business unit and overseen by the Board, covering a period of more than 12 months from the date of signing of these financial statements. On the basis of their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company will be able to continue in operational existence for a minimum period of 12 months from the date of signing and therefore the financial statements have been prepared on the going concern basis.

#### *Critical accounting judgements and key sources of estimation uncertainty*

The reported results of the Company for the financial year ended 31 December 2022 are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements.

The judgements and assumptions involved in the Company's accounting policies that are considered by the Directors to be the most important to the portrayal of its financial condition are discussed below.

The use of estimates, assumptions or models that differ from those adopted by the Company would affect its reported results.

**Notes (continued)****1 Accounting policies (continued)***Critical accounting judgements and key sources of estimation uncertainty (continued)**Key sources of estimation uncertainty**- Trade receivable impairment provisions*

A trade receivable is impaired when there is objective evidence that, due to events since the trade receivable was created, the Company cannot recover the original expected cash flows from the trade receivable. Trade receivable impairment provisions can be either bad debt provisions or merchant potential liability provisions.

A bad debt provision represents the difference between the carrying value of the trade receivable and the present value of estimated future cash flows.

*Accounting developments**New standards and interpretations not yet adopted*

There are no standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

*Key accounting policies are set out below:*

**1.1 Foreign Exchange**

Foreign currency transactions are initially recorded at the rate ruling on the date of the transaction. At the end of each reporting period, foreign currency items on the balance sheet are translated as follows:

- Non-monetary items, including equity, held at historic cost are not retranslated.
- Non-monetary items held at fair value are translated at the rate ruling on the date the fair value was determined.
- Monetary items are retranslated at the rate prevailing at the end of the reporting period.

Foreign exchange gains and losses arising from the retranslation of foreign currency transactions are recognised in the profit and loss account. Amounts arising from financing balances, whether intra-Group or external, are stated within finance costs whereas those arising from trading are included in operating profit.

**1.2 Revenue recognition**

Revenue is recognised when a customer obtains control of promised services or goods. The amount of revenue recognised reflects the consideration to which the Company expects to be entitled to receive in exchange for these services.

The Company has contractual agreements with its customers that set forth the general terms and conditions of the relationship including line item pricing, payment terms and contract duration. Revenue is recognised when the obligation under the terms of the Company's contract with its customer is satisfied. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. The Company generates revenue primarily by processing electronic payment transactions.

*Performance Obligations*

Since the majority of the Company's revenue relates to payment processing services for its customers, the Company's core performance obligation is to provide continuous access to the Company's system to process as much as its customers require. The Company's payment processing services consist of variable consideration under a stand-ready service of distinct days of service that are substantially the same with the same pattern of transfer to the customer. The Company's revenue from products and services is recognised at a point in time or over time depending on the products or services, with most of the revenue recognised at a point in time.

*Remaining Performance Obligations*

IFRS15 requires disclosure of the aggregate amount of the transaction price allocated to unsatisfied performance obligations; however, as permitted by IFRS 15, the Company has elected to exclude from this disclosure any contracts with an original duration of one year or less and any variable consideration that meets specified criteria. As discussed above, the Company's core performance obligation consists of variable consideration under a stand ready series of distinct days of service. Such variable consideration meets the specified criteria for the disclosure exclusion; therefore, the majority of the aggregate amount of transaction price that is allocated to performance obligations that have not yet been satisfied is variable consideration that is not required for disclosure. The aggregate fixed consideration portion of customer contracts with an initial contract duration greater than one year is not material.



**Notes (continued)****1 Accounting policies (continued)****1.2 Revenue recognition (continued)**

The Company capitalises commission fees as costs of obtaining a contract when they are incremental and expected to be recovered. The Company amortises these capitalised costs consistently with the pattern of transfer of the good or service to which the asset relates. If the expected amortisation period is one year or less, the commission fee is expensed when incurred.

**1.3 Employee benefits**

Expenses related to services rendered by employees are recognised in the period in which the service is rendered. This includes wages and salaries, social security contributions, pension contributions, bonuses, and termination benefits.

Where payments of amounts due are outstanding at the end of the reporting period, an accrual is recognised. Where payments have been made in advance prior to the end of the reporting period, a prepayment is recognised.

The Company participates in the Group's defined contribution pension scheme. The amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments on the balance sheet.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based upon estimation of the number of shares which will eventually vest, with a corresponding increase in equity. Fair value is measured by reference to the market value of the Group's shares, adjusted as necessary for the terms and conditions of the award, or an appropriate option pricing model, depending on the nature of the award.

Cash-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the cash-settled share-based payments is expensed on a straight-line basis over the vesting period, based upon estimation of the number of shares which will eventually vest, and a corresponding liability will be recognised for that settlement. Fair value is measured by reference to the market value of the Group's shares, adjusted as necessary for the terms and conditions of the award, or an appropriate option pricing model, depending on the nature of the award.

**1.4 Taxation**

The tax expense represents the sum of the current tax and deferred tax for the period.

*Current tax*

The current tax charge is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

*Deferred tax*

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**Notes (continued)****1 Accounting policies (continued)****1.5 Intangible assets**

Intangible assets acquired in a business combination, and recognised separately from goodwill, include brands and customer relationships. These are initially recognised at their fair value at the acquisition date. Subsequently, they are reported at cost less accumulated amortisation and any impairment losses.

Amortisation is recognised on a straight-line basis over the estimated useful economic life. The estimated useful economic lives and the amortisation method are reviewed at the end of each reporting period, with any changes being accounted for on a prospective basis.

The useful economic lives applied by the Company are as follows:

- Software & licences 3 to 10 years

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets. These costs include directly attributable employee costs. However, any costs incurred in the research phase or as maintenance are expensed as incurred.

**1.6 Tangible assets**

Tangible assets are initially recognised at cost and include all expenditure directly attributable to bringing the asset to the location and working condition for its intended use. Subsequent measurement is at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is capitalised only when it is probable that it will give rise to future benefits i.e. maintenance expenditure is excluded but enhancement costs that meet the criteria are capitalised.

Tangible assets are depreciated to their residual value over their useful life on a straight-line basis. Estimates of the useful life and residual value, as well as the method of depreciation, are reviewed as a minimum at the end of each reporting period. Any changes are classified as a change in accounting estimate and so are applied prospectively.

The useful lives applied by the Company are as follows:

- Leasehold improvements 5 to 20 years
- Computers & office equipment 3 to 5 years

Depreciation begins when an asset is ready for use and ceases on the disposal of the asset, classification as held for sale or the end of its useful life, whichever is the sooner.

The gain or loss on disposal is the difference between the net proceeds received and the carrying amount of the asset.

**1.7 Investments in subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost less any provisions for impairment.

Investments in subsidiary undertakings purchased from companies under common control are transferred across at carrying value.

**1.8 Impairment of intangible and tangible assets**

The Company assesses its other intangible assets and tangible assets for indicators of impairment at least annually. If such indicators exist, the recoverable amount of the asset (or its cash-generating unit if the asset does not generate largely independent cash flows) is estimated. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows from the asset or the cash-generating unit, discounted at the appropriate pre-tax rate.

The Company recognises any impairment loss resulting from these reviews in separately disclosed items in the profit and loss account. Impairment losses may be reversed in subsequent periods. However, the revised carrying value of the asset may not exceed the carrying value had the original impairment not arisen.

**1.9 Cash and cash equivalents**

Cash and cash equivalents comprise of cash and demand deposits with banks, together with short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

**Notes (continued)****1 Accounting policies (continued)****1.10 Trading assets and liabilities*****Merchant float and merchant creditors***

Merchant float, scheme debtors and merchant creditors represent intermediary balances arising in the merchant settlement process.

*Merchant float* represents surplus cash balances that the Company holds on behalf of its customers, when the incoming amount from the card schemes or networks precedes when the funding to customers falls due. The funds are held in a fiduciary capacity and are stated separately from the Company's own cash in the balance sheet.

*Merchant creditors* consist primarily of:

- Liabilities to customers for transactions that have been processed but not yet funded by the card networks, where they are a member of that particular network;
- Liabilities to customers for transactions where it is holding funding from the members under the sponsorship agreement but has not funded customers on behalf of the sponsoring bank; and
- Merchant reserves and the fair value of the Company's guarantees of cardholder chargebacks. These are amounts held as deposits from customers, either from inception of Worldpay's working relationship with them, or accrued throughout the relationship due to payment issues arising or potential chargebacks.

***Debtors***

Debtors are initially recognised at fair value in the period to which they relate. They are held at amortised cost, less any provision for bad or doubtful debts. Provisions for bad or doubtful debts are presented net with the related receivable on the balance sheet. Trade receivables primarily include amounts due from merchants for services provided to process transactions between the cardholder and an acquiring bank.

***Creditors***

Creditors are recognised initially at fair value in the period to which they relate. They are subsequently held at amortised cost using the effective interest rate method. They are derecognised when payment has been made.

**1.11 Provisions**

The Company recognises a provision for a present obligation resulting from a past event when it is probable that it will be required to transfer economic benefits to settle the obligation, and the amount of the obligation can be estimated reliably.

**1.12 Capital contribution reserve**

The capital contribution reserve represents the capital contribution made by Worldpay Group Limited in respect of share options issued to employees of the Company over the shares of Worldpay Group Limited and is equivalent to the cumulative charge recognised under IFRS 2.

**2 Turnover**

	<b>2022</b>	2021
	<b>£000</b>	£000
Alternative payments	<b>18,512</b>	16,397
Treasury management and foreign exchange services	<b>6,710</b>	12,549
Ancillary income	<b>443</b>	19
	<hr/> <b>25,665</b> <hr/>	<hr/> 28,965 <hr/>

All turnover is generated within the United Kingdom.

**Notes (continued)****3 Operating profit**

	2022	2021
	£000	£000
<i>Operating profit for the year is stated after charging:</i>		
Bad debt charge	(607)	1,163
Intra Group recharges	5,683	7,120
	<u>          </u>	<u>          </u>

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies and consequently no auditor's remuneration.

**4 Employee numbers and costs**

	2022	2021
The average number of employees (including Directors) during the period was:		
Staff	2	7
	<u>          </u>	<u>          </u>
Their aggregate remuneration comprised:	2022	2021
	£000	£000
Wages and salaries (including redundancy costs)	(11)	458
Social security costs	70	75
Pension costs	29	35
	<u>          </u>	<u>          </u>
	88	568
	<u>          </u>	<u>          </u>

**5 Directors' remuneration**

The Directors of the Company do not receive specific remuneration for services to this Company nor is it possible to accurately apportion the total remuneration paid to the Directors of the Worldpay Group among the companies of the Group.

**6 Interest receivable and similar income**

	2022	2021
	£000	£000
Foreign exchange gains	4,431	510
Other Income	2,542	-
	<u>          </u>	<u>          </u>
	6,973	510
	<u>          </u>	<u>          </u>

**7 Interest payable and similar charges**

	2022	2021
	£000	£000
Bank charges	158	38
Interest payable to other Group companies	(17)	(15)
	<u>          </u>	<u>          </u>
	141	23
	<u>          </u>	<u>          </u>

## 8 Taxation

### Factors affecting future tax charges

## 9 Dividend

	2022	2021
	£000	£000
Dividend on ordinary shares	1,700	-
	<u>1,700</u>	<u>-</u>

**Notes (continued)****10 Investments**

	<b>Investments in group undertakings £000</b>
<b>Cost and net book value</b>	
As at 1 January 2022	2
Additions	-
	<hr/>
<b>As at 31 December 2022</b>	<b>2</b>
	<hr/> <hr/>

<b>Company name</b>	<b>Country of Incorporation /registration</b>	<b>Registered place of business</b>	<b>Ordinary shares held</b>
Envoy Services South Africa (Pty) Ltd <sup>1</sup>	South Africa	3 <sup>rd</sup> Floor, 200 on Main, Cnr Bowwood and Mains Road, Claremont, Cape Town, 7708, South Africa	<b>100%</b>

**Nature of business**  
1 Non-trading company and liquidated in Jan 2023

**11 Debtors**

	<b>2022 £000</b>	<b>2021 £000</b>
Trade receivables	2,447	4,175
Provision for bad and doubtful debts	(437)	(1,783)
	<hr/>	<hr/>
	<b>2,010</b>	<b>2,392</b>
Amounts owed from Group companies	4,725	16,394
Current tax asset	-	-
Other debtors	(328)	4
Prepayments and accrued income	2,835	2,486
	<hr/>	<hr/>
	<b>9,242</b>	<b>21,276</b>
	<hr/> <hr/>	<hr/> <hr/>

Amounts owed from Group companies are unsecured and repayable on demand.

**12 Creditors: amounts falling due within one year**

	<b>2022 £000</b>	<b>2021 £000</b>
Merchant creditors	214,472	172,522
Amounts owed to Group companies	2,463	5,035
Other creditors	(4,694)	1,454
Accruals and deferred income	10,074	9,956
	<hr/>	<hr/>
	<b>222,315</b>	<b>188,967</b>
	<hr/> <hr/>	<hr/> <hr/>

Amounts owed to Group companies are unsecured and repayable on demand.

**13 Share capital**

	<b>2022 £</b>	<b>2021 £</b>
<b>Allotted, called up and fully paid</b>		
2,587 ordinary shares of £0.10	259	259
	<hr/> <hr/>	<hr/> <hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

**Notes (continued)****14 Related parties**

Transactions between the Company and other wholly owned members of the same Group have not been disclosed, in accordance with the provisions of FRS 101. There were no transactions with other related parties.

**15 Ultimate parent company and controlling party**

Worldpay eCommerce Ltd is the Company's immediate parent company.

Worldpay International Group Ltd is the undertaking that heads the smallest group of companies for which consolidated financial statements are prepared. Copies of the financial statements of Worldpay International Group Limited can be obtained from the Walbrook Building, 25 Walbrook, London EC4N 8AF. FIS, a company incorporated in the United States of America, is the undertaking that heads the largest group of companies for which consolidated financial statements are prepared. The Directors consider FIS to be the ultimate controlling party and ultimate parent company.

Copies of the financial statements of Fidelity National Information Services, Inc. can be obtained from 347 Riverside Avenue, Jacksonville, FL 32202, USA.

**16 Post Balance Sheet events**

In July 2023, FIS announced a separation plan to create two highly focused independent companies with greater strategic flexibility. As a part of this plan, FIS will sell 55% of its holdings in Worldpay Group to GTCR, a private equity firm and retain a 45% stake in Worldpay. It is anticipated to close this transaction by Q1 2024 subject to regulatory approvals and customary closing conditions. There will be no direct impact of this transaction on the Company other than a change in its ultimate parent company.