

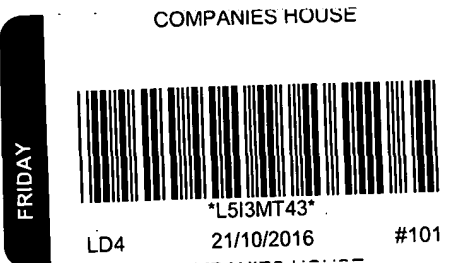
AxiCorp Limited

Report and Financial Statements

Year Ended

30 June 2016

Company Number 06378544



AxiCorp Limited

Company Information

Directors	G Drapac A Mackinnon S Reeves
Company secretary	A Mackinnon
Registered number	06378544
Registered office	55 Baker Street London W1U 7EU
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

AxiCorp Limited

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AxiCorp Limited

Strategic report For the year ended 30 June 2016

The directors of AxiCorp Limited submit the strategic report for the year ended 30 June 2016.

Review of Business

The company's retail business commenced trading in September 2014 and during the year progress was satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are as follows:

Financial risk

Financial Risk is rated low as trading of all underlying client exposures will be hedged with the parent entity.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment commitments when they fall due. At the balance sheet date, the majority of its commitments are due to other Group companies and it is dependent upon the support of the parent Company to continue to operate.

Systems development risk

The company is dependent upon technology provided by its parent entity, AxiCorp Financial Services Pty Limited which manages these risks for the group. Risks arise where trading and back office systems are integrated with real time data feeds from trading exchanges. Any disruption to systems may impact client trade execution. The group monitors this risk closely and has in place a number of redundancies and mitigating processes to ensure consistent order flow and minimal disruption to clients in the event of a third party break in service.

Interest rate risk

The company does not currently earn or pay significant interest and as such it is not materially exposed to interest rate risk.

Credit risk

Credit risk is broadly defined as the possible loss due to debtors' non-payment of loans, services or goods supplied. There were no material debtors overdue at the reporting date.

Regulatory risk

The financial services sector is heavily regulated and breaches lead to fines or disciplinary action both for the company and for individual staff. Management monitors closely actual and planned changes in regulation.

AxiCorp Limited

Strategic report (continued)
For the year ended 30 June 2016

Future Developments

The nature of the company's business offering is not expected to materially change for the foreseeable future.

This report was approved by the board and signed on its behalf.



A Mackinnon
Director

Date: 21 October 2016

AxlCorp Limited

Directors' report For the year ended 30 June 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company during the financial year was the provision of services for direct market access trading of contracts for difference and other financial instruments. There were no significant changes in principal activities during the year.

Results and dividends

The profit for the year, after taxation, amounted to £116,511 (2015 - loss of £25,782).

The directors do not recommend that any dividend be declared in respect of the year (2015: £nil).

Directors

The directors who served during the year were:

G Drapac
A Mackinnon
S Reeves

Pillar 3 disclosures

Details of the company's Pillar 3 disclosures, required under the Financial Conduct Authority's Prudential Sourcebook of Banks, Building Societies and Investment Firms ("BIPRU"), may be obtained from the company's website at www.axitrader.co.uk.

AxiCorp Limited

**Directors' report (continued)
For the year ended 30 June 2016**

Matters covered in the strategic report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 1-2. These matters relate to future developments and principal risks and uncertainties.

Disclosure of information to auditor

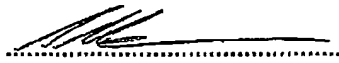
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.


A Mackinnon
Director

Date: 21 October 2016

AxiCorp Limited

Independent auditor's report to the members of AxiCorp Limited

We have audited the financial statements of AxiCorp Limited for the year ended 30 June 2016 which comprise of the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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, 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

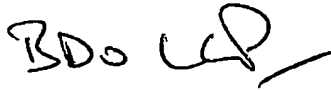
AxiCorp Limited

Independent auditor's report to the members of AxiCorp Limited

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.



Neil Griggs (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 21 October 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AxiCorp Limited

**Statement of comprehensive income
For the year ended 30 June 2016**

	Note	2016 £	2015 £
Turnover	4	2,117,431	989,900
Cost of sales		(6,903)	(103,664)
Other revenue		12,390	11,034
Gross profit		2,122,918	897,270
Administrative expenses		(1,977,049)	(921,295)
Operating profit/(loss)	5	145,869	(24,025)
Interest payable and similar charges		(1,988)	-
Profit/(loss) before tax		143,881	(24,025)
Tax on profit/(loss)	8	(27,370)	(1,757)
Profit/(loss) for the year		116,511	(25,782)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		116,511	(25,782)

All amounts relate to continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

AxiCorp Limited
Registered number: 06378544

Statement of financial position
As at 30 June 2016

	Note	£	2016 £	£	2016 £
Fixed assets					
Tangible assets	9		49,266		-
			<u>49,266</u>		<u>-</u>
Current assets					
Debtors	10	600,051		93,310	
Cash at bank and in hand	11	536,318		229,484	
		<u>1,136,369</u>		<u>322,794</u>	
Creditors: amounts falling due within one year	12	(835,942)		(149,612)	
Net current assets			<u>300,427</u>		<u>173,182</u>
Total assets less current liabilities			<u>349,693</u>		<u>173,182</u>
Creditors: amounts falling due after more than one year	13		(60,000)		-
Net assets			<u><u>289,693</u></u>		<u><u>173,182</u></u>
Capital and reserves					
Share capital	15		610,850		610,850
Accumulated losses	16		(321,157)		(437,668)
			<u><u>289,693</u></u>		<u><u>173,182</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


A Mackinnon
 Director

Date: 21 October 2016

The notes on pages 11 to 21 form part of these financial statements.

AxiCorp Limited

**Statement of changes in equity
For the year ended 30 June 2016**

	Share capital £	Accumulated losses £	Total equity £
At 1 July 2015	610,850	(437,668)	173,182
Comprehensive income for the year			
Profit for the year	-	116,511	116,511
At 30 June 2016	610,850	(321,157)	289,693

**Statement of changes in equity
For the year ended 30 June 2015**

	Share capital £	Accumulated losses £	Total equity £
At 1 July 2014	610,850	(411,886)	198,964
Comprehensive income for the year			
Loss for the year	-	(25,782)	(25,782)
At 30 June 2015	610,850	(437,668)	173,182

The notes on pages 11 to 21 form part of these financial statements.

AxiCorp Limited

**Statement of cash flows
For the year ended 30 June 2016**

	2016 £	2015 £
Cash flows from operating activities		
Profit/(loss) for the financial year	116,511	(25,782)
Adjustments for:		
Depreciation of tangible fixed assets	15,639	-
Interest charged to income statement	1,988	-
Taxation	27,370	-
Increase in debtors	(506,741)	(18,046)
Increase/(decrease) in creditors	203,838	(33,641)
Increase in amounts owed to groups	515,122	-
Net cash generated from/(used in) operating activities	373,727	(77,469)
Cash flows from investing activities		
Purchase of tangible fixed assets	(64,805)	-
Net cash used in investing activities	(64,805)	-
Cash flows from financing activities		
Interest paid	(1,988)	-
(Repayments of)/short-term advances from group undertaking	-	120,319
Net cash generated from financing activities	(1,988)	120,319
Net increase in cash and cash equivalents	306,834	42,850
Cash and cash equivalents at beginning of year	229,484	186,634
Cash and cash equivalents at the end of year	536,318	229,484
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	536,318	229,484
	536,318	229,484

The notes on pages 11 to 21 form part of these financial statements.

AxiCorp Limited

Notes to the financial statements For the year ended 30 June 2016

1. General information

AxiCorp Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the director's report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 19.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company had net current assets of £300,427 (2015: £173,182) at the reporting date and generated a profit of £116,511 (2015: loss of £25,782) in the year. The parent company has confirmed its intention to continue to provide financial support to the company for the foreseeable future to enable it to continue to settle its external liabilities as they fall due and to enable it to meet its regulatory capital requirements. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

2.3 Turnover

Turnover includes fees for services provided to the parent company.

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Equipment, computers and software	-	40% straight line
Licences	-	40% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Debtors

Debtors are short term in nature and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts as any discounting of expected cash flows is considered to be immaterial.

2.6 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.7 Creditors

Liabilities are recognised as trade creditors when an invoice is received. Expenses incurred for which an invoice has not yet been received are included in accruals. Trade creditors are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

Other creditors are not interest-bearing and are stated at their nominal value as any discounting of expected cash flows is considered to be immaterial.

AxiCorp Limited

Notes to the financial statements For the year ended 30 June 2016

2. Accounting policies (continued)

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans to and from group undertakings, cash at bank and in hand and accrued expenses.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts debtors and creditors, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

2.10 Expenses

All expenses and interest payable are accounted for on an accruals basis.

2.11 Operating leases

Rentals paid under operating leases are charged to the income statement on a straight line basis over the lease term.

2.12 Taxation

Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

- **Tangible fixed assets (see note 9)**
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Service fees	2,117,431	989,900
	<u>2,117,431</u>	<u>989,900</u>

All turnover relates to service fees charged to the parent company and arose within the United Kingdom.

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	2016 £	2015 £
Other operating income	(12,390)	(11,034)
Depreciation of tangible fixed assets	15,639	-
Auditor remuneration - audit fee	22,500	20,000
Non audit services	8,040	-
Professional fees excluding auditor remuneration	327,834	183,349
Occupancy cost	-	183,023
Other operating cost	21,773	44,845
Technology cost	15,124	22,402
Travel and accommodation cost	45,522	19,880
Advertising and marketing cost	91,027	1,800
	<u>91,027</u>	<u>1,800</u>

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	1,166,511	384,369
Social security costs	148,732	51,113
Other costs	114,347	10,716
	<u>1,429,590</u>	<u>446,198</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Sales and administration	<u>16</u>	<u>7</u>

Other costs include redundancy payments with a total value of £92,182 (2015: £Nil).

7. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	<u>120,000</u>	<u>16,800</u>

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

8. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profit/(loss) for the year	27,370	1,757
Total current tax	<u>27,370</u>	<u>1,757</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	<u>143,881</u>	<u>(24,025)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	28,776	(4,985)
Effects of:		
Adjustments to tax charge in respect of prior periods	-	1,757
Other timing differences leading to a decrease in taxation	(1,406)	-
Unrelieved tax losses and other deductions arising in the period	-	4,985
Total tax charge for the year	<u>27,370</u>	<u>1,757</u>

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

9. Tangible fixed assets

	Equipment, computers and software £	Other fixed assets £	Total £
Cost			
At 1 July 2015	14,803	-	14,803
Additions	44,905	20,000	64,905
Disposals	(14,803)	-	(14,803)
At 30 June 2016	<u>44,905</u>	<u>20,000</u>	<u>64,905</u>
Depreciation			
At 1 July 2015	14,803	-	14,803
Charge for the year	10,247	5,392	15,639
Disposals	(14,803)	-	(14,803)
At 30 June 2016	<u>10,247</u>	<u>5,392</u>	<u>15,639</u>
Net book value			
At 30 June 2016	<u>34,658</u>	<u>14,608</u>	<u>49,266</u>
At 30 June 2015	<u>-</u>	<u>-</u>	<u>-</u>

10. Debtors

	2016 £	2015 £
Trade debtors	369,595	-
Other debtors	168,655	60,610
Deposits	-	19,000
Prepayments	28,162	13,700
Loans	33,639	-
	<u>600,051</u>	<u>93,310</u>

All debtors fall due within one year.

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

11. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>536,318</u>	<u>229,484</u>

At 30 June 2016, cash balances with banks included £80,321 (2015: £80,281) of cash deposits which are subject to a legal charge in favour of a third party as a security deposit for the company's merchant facility.

At 30 June 2016, cash balances held by the company on behalf of clients under the Financial Conduct Authority's Client Assets Sourcebook amounted to £1,584,437, US\$8,136,709 and €3,689,178 (2015: £292,979, US\$740,061 and €105,448). The company has no beneficial interest in these deposits and accordingly they are not included the company's statement of financial position.

12. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	51,383	28,346
Amounts owed to group undertakings	522,777	67,655
Corporation tax	27,370	-
Taxation and social security	90,759	22,540
Other creditors	-	10,178
Accruals	143,653	20,893
	<u>835,942</u>	<u>149,612</u>

13. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Amounts owed to group undertakings	60,000	-
	<u>60,000</u>	<u>-</u>

AxiCorp Limited

**Notes to the financial statements
For the year ended 30 June 2016**

14. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	1,108,207	309,094
	<u>1,108,207</u>	<u>309,094</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(777,813)	(127,072)
	<u>(777,813)</u>	<u>(127,072)</u>

Financial assets measured at amortised cost comprise cash at bank, trade and other debtors, loans, deposits and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise loans and other amounts due to group undertakings, trade and other creditors and accrued expenses.

15. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
610,850 Ordinary shares of £1 each	<u>610,850</u>	<u>610,850</u>

No shares were issued in 2016 (2015: nil)

16. Reserves

Accumulated losses

Accumulated losses represent cumulative losses of the company since incorporation, net of dividends paid and other adjustments.

AxiCorp Limited

Notes to the financial statements For the year ended 30 June 2016

17. Related party transactions

During the year, service fees were charged to AxiCorp Financial Services Pty Limited, the ultimate parent, amounting to £2,117,431 (2015: £989,900).

A balance of £522,777 was payable to AxiCorp Financial Services Pty Limited at 30 June 2016 (2015: £67,655) and this amount is included within amounts owed to group undertakings. Certain expenses are incurred by the parent entity on the company's behalf.

Key management personnel include all directors and senior managers across the company who together have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services to the company was £120,000 (2015: £16,800).

18. Ultimate parent undertaking and controlling party

At 30 June 2016, the company's ultimate parent undertaking and controlling party was AxiCorp Financial Services Pty Ltd, a company registered in Australia.

19. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.