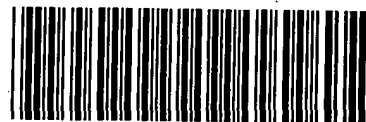


**Company Registration Number 07657495**

**Kantox Limited**  
**Annual report**  
**31 December 2014**

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**Kantox Limited**

**Annual report**

**Year ended 31 December 2014**

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# **Kantox Limited**

## **Company information**

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### **The board of directors**

Mr P Gelis  
Mr A R Guix  
Mr M Fodor  
Mr P G Collombel  
Idinvest Partners

### **Registered office**

Longcroft House  
2-8 Victoria Avenue  
London  
EC2M 4NS

### **Auditor**

Chantrey Vellacott DFK LLP  
Chartered Accountants and Statutory Auditor  
Russell Square House  
10-12 Russell Square  
London  
United Kingdom  
WC1B 5LF

# **Kantox Limited**

## **Directors' report**

### **Year ended 31 December 2014**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2014.

#### **Principal activities**

The principal activity of the company during the year was that of providing a platform for the matching of foreign exchange transactions at a retail level.

#### **Directors**

The directors who served the company during the year were as follows:

Mr P Gelis  
Mr A R Guix  
Mr M Fodor  
Mr P G Collombel  
Idinvest Partners

Idinvest Partners was appointed as a director on 21 February 2014.

#### **Business review**

Following a review of the Company's VAT registration, it was found that the company had incurred a VAT liability in relation to inputs previously claimed. The liability amounted to £335,251 and was settled during the year. The ongoing cost of irrecoverable VAT is shown in the profit and loss account as part of general costs.

#### **Going concern**

The company raised £1.1m of new capital during the year and £6.4m in April 2015, in order to finance the development period of the platform and its marketing to a critical mass of users. The Board expects this period to be two years and is confident that current resources will be sufficient to finance its plan for the foreseeable future. Accordingly, the Board considers it to be appropriate to prepare the accounts on a going concern basis.

#### **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 year.

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;
- 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.

#### **Auditor**

Chantrey Vellacott DFK LLP merged its practice with Moore Stephens LLP with effect from 1 May 2015. The merged firm, Moore Stephens LLP will be appointed in accordance with Chapter 2 of Part 16 of the Companies Act 2006.

**Kantox Limited**

**Directors' report *(continued)***

**Year ended 31 December 2014**

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Each director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

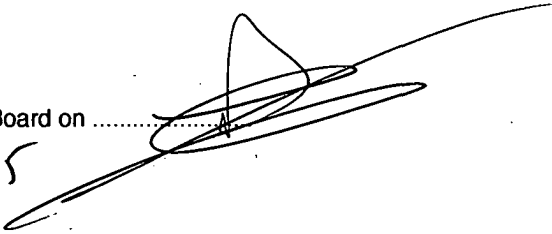
Signed on behalf of the Board

Mr P Gelis

Director

Approved by the Board on .....

29 May 2015



## **Kantox Limited**

### **Independent auditor's report to the shareholders of Kantox Limited**

#### **Year ended 31 December 2014**

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We have audited the financial statements of Kantox Limited for the year ended 31 December 2014 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement set out on page 2, 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 Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Kantox Limited

### Independent auditor's report to the shareholders of Kantox Limited *(continued)*

**Year ended 31 December 2014**

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#### **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 31 December 2014 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 matters 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 in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Moore Stephens LLP*

IAN STAUNTON (Senior Statutory Auditor)  
for and on behalf of Moore Stephens LLP  
Chartered Accountants and Statutory Auditor  
London

*5th June 2015*  
.....

**Kantox Limited****Profit and loss account****Year ended 31 December 2014**

	Note	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Turnover		742,281	276,740
Cost of sales		117,822	53,111
Gross profit		624,459	223,629
Administrative expenses		1,217,070	571,562
Operating loss	2	(592,611)	(347,933)
Attributable to:			
Operating loss before exceptional items		(351,165)	(347,933)
Exceptional items	2	(241,446)	–
		(592,611)	(347,933)
Interest receivable and similar income		246	1,377
Loss on ordinary activities before taxation		(592,365)	(346,556)
Tax on loss on ordinary activities	3	(160,012)	–
Loss for the financial year		(432,353)	(346,556)

There is no difference between the results shown above and their historical cost equivalents.

The notes on pages 9 to 14 form part of these financial statements.



**Kantox Limited****Statement of total recognised gains and losses****Year ended 31 December 2014**

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	<b>Year to 31 Dec 14 £</b>	<b>Period from 1 Jul 12 to 31 Dec 13 £</b>
Loss for the financial year attributable to the shareholders	<b>(432,353)</b>	<b>(346,556)</b>
<i>Total recognised gains and losses relating to the year</i>	<b>(432,353)</b>	<b>(346,556)</b>
Prior year adjustment	<b>–</b>	<b>(245,588)</b>
Total gains and losses recognised since the last annual report	<b>(432,353)</b>	<b>(592,144)</b>

The notes on pages 9 to 14 form part of these financial statements.

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# Kantox Limited

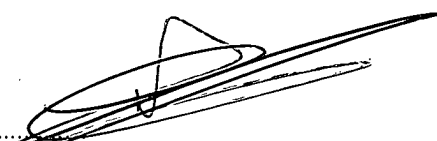
## Balance sheet

As at 31 December 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible assets	4	3,114,951	743,695
Tangible assets	5	7,403	3,584
Investments	6	336,291	336,291
		<u>3,458,645</u>	<u>1,083,570</u>
<b>Current assets</b>			
Debtors	7	337,184	63,045
Cash at bank		1,270,913	3,092,191
		<u>1,608,097</u>	<u>3,155,236</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>242,446</u>	<u>125,652</u>
<b>Net current assets</b>		<u>1,365,651</u>	<u>3,029,584</u>
<b>Total assets less current liabilities</b>		<u><u>4,824,296</u></u>	<u><u>4,113,154</u></u>
<b>Capital and reserves</b>			
Called up equity share capital	10	141,045	130,726
Share premium account	11	5,825,759	4,694,558
Capital redemption reserve	11	1,975	-
Profit and loss account	12	(1,144,483)	(712,130)
<b>Shareholders' funds</b>		<u><u>4,824,296</u></u>	<u><u>4,113,154</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 29 May 2015, and are signed on their behalf by:

  
.....  
Mr P Gellis

Company Registration Number: 07657495

The notes on pages 9 to 14 form part of these financial statements.

# Kantox Limited

## Notes to the financial statements

Year ended 31 December 2014

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### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is entitled to take the disclosure exemptions available to small companies and has not presented consolidated accounts or a cash flow statement.

#### Turnover

Commission is recognised on the date that the underlying contract for currency is made; this date is generally the date of execution of the contract. The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

#### Intangible assets

The company recognises an intangible asset representing the cost of the development of the trading platform less amortisation. Cost includes all directly attributable expenditure relating mainly to the labour cost of programmers and their office accommodation costs but also includes relevant overheads.

Amortisation is charged at an amount variable to sales which is sufficient to fully expense the total forecast cost of the platform against total forecast sales. The forecasts are reviewed annually and the expense rate will be adjusted prospectively for significant variations.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings and equipment	- 20% reducing balance
-------------------------------------	------------------------

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Deferred taxation

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

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

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# Kantox Limited

## Notes to the financial statements

Year ended 31 December 2014

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### 2. Operating loss

Operating loss is stated after charging:

	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Directors' remuneration	69,417	58,249
Amortisation of intangible assets	419,055	136,697
Depreciation of owned fixed assets	1,959	268
Auditor's fees	8,800	-
Net loss on foreign currency translation	184,403	58,948
Exceptional items - Irrecoverable VAT	241,446	-

### 3. Taxation on ordinary activities

Analysis of charge in the year

	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Current tax:		
UK Corporation tax based on the results for the year	(122,733)	-
Over/under provision in prior year	(37,279)	-
Total current tax	(160,012)	-

The current tax credit and the prior year element relate to research and development tax credits which are receivable in cash from HMRC. The credits are not dependent on recovery of corporation tax paid in the past and are not repayable to the HMRC in future periods.

**Kantox Limited****Notes to the financial statements****Year ended 31 December 2014**

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**4. Intangible fixed assets**

	Trading platform £
<b>Cost</b>	
At 1 January 2014	880,392
Additions	2,790,311
<b>At 31 December 2014</b>	<b>3,670,703</b>
<b>Amortisation</b>	
At 1 January 2014	136,697
Charge for the year	419,055
<b>At 31 December 2014</b>	<b>555,752</b>
<b>Net book value</b>	
<b>At 31 December 2014</b>	<b>3,114,951</b>
At 31 December 2013	743,695

**5. Tangible fixed assets**

	Fixtures & fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 January 2014	3,002	850	3,852
Additions	1,427	4,351	5,778
<b>At 31 December 2014</b>	<b>4,429</b>	<b>5,201</b>	<b>9,630</b>
<b>Depreciation</b>			
At 1 January 2014	174	94	268
Charge for the year	851	1,108	1,959
<b>At 31 December 2014</b>	<b>1,025</b>	<b>1,202</b>	<b>2,227</b>
<b>Net book value</b>			
<b>At 31 December 2014</b>	<b>3,404</b>	<b>3,999</b>	<b>7,403</b>
At 31 December 2013	2,828	756	3,584

# Kantox Limited

## Notes to the financial statements

Year ended 31 December 2014

### 6. Investments

	Investment in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2014 and 31 December 2014	<u>336,291</u>
<b>Net book value</b>	
At 31 December 2014 and 31 December 2013	<u>336,291</u>

The company holds the whole of the issued share capital of Kantox SL, a company incorporated in the Kingdom of Spain and engaged in software development. The group qualifies as small under the Companies Act 2006 and is not required to prepare consolidated accounts. The following information relates to the subsidiary;

	2014 €	2013 €
Capital and reserves	651,672	428,559
Profit for the year	<u>78,901</u>	<u>25,981</u>

### 7. Debtors

	2014 £	2013 £
Trade debtors	74,481	46,345
Corporation tax repayable	122,733	—
VAT recoverable	—	12,732
Other debtors	139,970	3,968
	<u>337,184</u>	<u>63,045</u>

### 8. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	17,963	28,280
Amounts owed to group undertakings	99,890	91,481
VAT	118,326	—
Other creditors	367	391
Accruals and deferred income	5,900	5,500
	<u>242,446</u>	<u>125,652</u>

# Kantox Limited

## Notes to the financial statements

Year ended 31 December 2014

### 9. Related party transactions

The company incurs charges invoiced to it from its subsidiary company. A total of £2,121,944 (2013: £712,884) was charged during the year. During the year, the company paid expenses on behalf of its subsidiary totalling £6,665. At the balance sheet date, £99,890 was due to the subsidiary company (2013: £91,481).

A director, Philippe Collumbel, has an interest in Partech Partners SAS which is a corporate investor which controls 19.79% of the share capital of the company.

Idinvest Partners, a corporate director, subscribed to the whole of the share issue made during the year see note 10. As a result Idinvest Partners controls 21.62% of the share capital of the company.

### 10. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	84,370	84,370	90,014	90,014
Ordinary Series A shares of £1 each	56,675	56,675	40,712	40,712
	<u>141,045</u>	<u>141,045</u>	<u>130,726</u>	<u>130,726</u>

On 21 February 2014, the company issued and allotted 12,294 Series A shares for £1 each. All allotments were made at €112.44 per share.

On 9 April 2014, 5,674 Ordinary shares were reclassified as 3,699 Series A shares and 1,975 £1 Ordinary Deferred shares.

On 30 April 2014, the £1 Ordinary Deferred shares were purchased by the company for 1p.

Series A and Ordinary shares rank pari-passu in all respects except (a) for the effect of terms within a shareholders' agreement which act to vary the rights each class has to participate in profits available to equity shareholders and (b) that a majority of the Series A shareholders must agree to proposals made by the Board for the payment of dividends.

### 11. Other reserves

Share premium account	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Balance brought forward	4,694,558	887,375
Premium on shares issued in the year	1,131,201	3,807,183
Balance carried forward	<u>5,825,759</u>	<u>4,694,558</u>
Capital redemption reserve	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Balance brought forward	-	-
On £1 Ordinary Deferred shares purchased in the year	1,975	-
Balance carried forward	<u>1,975</u>	<u>-</u>

# Kantox Limited

## Notes to the financial statements

Year ended 31 December 2014

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### 12. Profit and loss account

	Year to 31 Dec 14 £	Period from 1 Jul 12 to 31 Dec 13 £
Balance brought forward as previously reported	(712,130)	(119,986)
Prior year adjustment	—	(245,588)
Balance brought forward restated	(712,130)	(365,574)
Loss for the financial year	(432,353)	(346,556)
Balance carried forward	<u>(1,144,483)</u>	<u>(712,130)</u>

### 13. Control

The company is not under the control of any party.

### 14. Post balance sheet events

The group intends to transfer the software trade and assets of Kantox SL to a branch of the company. Such intention has been communicated to the Financial Conduct Authority on 2 February 2015. The Branch will be established in Spain once the Financial Conduct Authority and the Bank of Spain have consented to the arrangements.

Kantox SL will remain operative to supply the company with marketing services.

In April 2015, the company raised £6.4m of new capital in order to finance the development period of the platform and its marketing to a critical mass of users.

From June 2015 the company will be at new premises at 6 Bevis Marks, London, EC3A 7BA.