

REGISTERED NUMBER: 08659886 (England and Wales)

**Group Strategic Report,
Report of the Directors and
Audited Consolidated Financial Statements
for the Year Ended 31 December 2015
for
Samaro Holdings Limited**

RHK Business Advisers LLP, Statutory Auditor
Coburg House
1 Coburg Street
Gateshead
Tyne & Wear
NE8 1NS

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Samaro Holdings Limited

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for the Year Ended 31 December 2015**

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Samaro Holdings Limited
Company Information
for the Year Ended 31 December 2015

DIRECTORS:

Mr R Groves
Mr M Baker

REGISTERED OFFICE:

Coburg House
1 Coburg Street
Gateshead
Tyne and Wear
NE8 1NS

REGISTERED NUMBER:

08659886 (England and Wales)

AUDITORS:

RHK Business Advisers LLP, Statutory Auditor
Coburg House
1 Coburg Street
Gateshead
Tyne & Wear
NE8 1NS

Samaro Holdings Limited (Registered number: 08659886)

**Group Strategic Report
for the Year Ended 31 December 2015**

The directors present their strategic report of the company and the group for the year ended 31 December 2015.

The group provides foreign exchange and international payment services to both private and corporate clients. It also develops financial software for the purpose of minimising an entity's exposure to foreign exchange fluctuation.

REVIEW OF BUSINESS

The board is pleased to announce another year of growth for 2015 with gross revenue, FX turnover and payment volume all growing.

The group continues to focus on providing services to UK and European businesses and has acquired notable customers in the service, import export and financial institution sectors. A smaller section of the business was focused on providing services to retail customers and this area has also grown in line with other areas of the company.

The group is pleased to announce that during 2015 it gained FCA regulation to trade investment products allowing it to expand its product offering in the FX risk management space, specifically FX options. This is in addition to authorisation under the payment service directive 2009 which was granted to the company in 2012.

Key Performance indicators

	2015	2014
FX turnover *	£2,758M	£2,082M
Revenue	£2,725,136	£1,946,036
Net profit before tax	£654,903	£662,537
Shareholder funds	£1,281,518	£1,005,000

* FX turnover, which has increased by 32% over the previous year, is inclusive of all spot, forward and swap trades

The group continues to grow its head count with the main focus being on sales of our FX risk management offering to businesses. Looking to 2016, our specific focus will be on providing an improved client platform and expand our product offering that will allow us to improve our customer experience, increase client retention and ultimately increase the company's market share.

The group plans to grow the management team in 2016 with experienced employees to support the strategic growth strategy of the board.

**Group Strategic Report
for the Year Ended 31 December 2015**

PRINCIPAL RISKS AND UNCERTAINTIES

Operational risk

This is the risk of a direct or indirect loss resulting from the inadequacies or failures in projects, processes or controls due to technology, staff, organisation or external factors. To monitor and control operational risk, the company maintains a system of comprehensive policies and a control framework which are designed to provide a sound and well-controlled operational environment. Key information regarding governance and the management of risk are reported to the Board. This enables management to monitor operational risk at appropriate levels.

Business risk

The consequences of result of the UK referendum to leave the EU of the vote remain unclear but the risks to the company come in the form of reduced business activity and changes to the regulatory regime.

Credit risk

This is the risk of losses being incurred through a client or other third party being unable to meet their obligations to the company. The company has robust policies in place to review substantial credit exposures prior to entering into a transaction with a client, to receive initial and/or variation margin deposits and to monitor open exposures.

Liquidity risk


This is the risk of insufficient liquid funds being available to meet the company's working capital requirements. Infinity International Limited monitors its liquidity levels and has mitigating controls in place to reduce risk of a liquidity event.

Financial instrument risk management

The Board of Directors is responsible for setting financial risk management policy and objectives, and approves the parameters within which the various aspects of financial risk management are operated.

The key financial risk for the company is foreign currency risk which arises through the provision of foreign exchange services. The company seeks to reduce its foreign exchange exposure arising in various currencies by purchasing corresponding FX contracts with authorised counterparties to offset FX contracts that are issued to clients.

ON BEHALF OF THE BOARD:



Mr R Groves - Director

Date: 24 November 2016

Samaro Holdings Limited (Registered number: 08659886)

**Report of the Directors
for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2015.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2015 will be £147,051.

RESEARCH AND DEVELOPMENT

The group has entered in to the stage of user testing which will enable it to provide a more complete solution in the management of foreign exchange risk. As the market place develops so will the need for the existing software to maintain its place as a market leader.

FUTURE DEVELOPMENTS

The board look forward to another year of growth and refinement of our proposition. In doing so we hope to offer a substantial increase in both client satisfaction and shareholder value.

The board are committed to the continual development and further advancement of the company and its software with a view to becoming an essential partner for all those companies who wish to manage their foreign exchange transactions.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Mr R Groves
Mr M Baker

DISCLOSURE IN THE STRATEGIC REPORT

The group has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the group's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of financial instruments.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

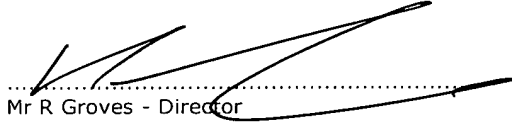
Samaro Holdings Limited (Registered number: 08659886)

**Report of the Directors
for the Year Ended 31 December 2015**

AUDITORS

The auditors, RHK Business Advisers LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Mr R Groves - Director

Date: 24 November 2016

Report of the Independent Auditors to the Members of Samaro Holdings Limited

We have audited the financial statements of Samaro Holdings Limited for the year ended 31 December 2015 on pages seven to thirty four. 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 group's and the parent 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 Group Strategic Report and the Report of the Directors 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 and of the group's 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 matter prescribed by the Companies Act 2006

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

Other matter

The financial statements of the company for the period ended 31 December 2014, forming the corresponding figures in these financial statements for the period ending 31 December 2014, are not audited because the company took advantage of S479 small company audit exemption in the prior period.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

G J Miller (Senior Statutory Auditor)
for and on behalf of RHK Business Advisers LLP, Statutory Auditor
Coburg House
1 Coburg Street
Gateshead
Tyne & Wear
NE8 1NS

Date: 24 November 2016

Samaro Holdings Limited (Registered number: 08659886)

**Consolidated Income Statement
for the Year Ended 31 December 2015**

		Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
	Notes	£	
TURNOVER	3	2,708,136	1,946,036
Cost of sales		<u>19,812</u>	<u>-</u>
GROSS PROFIT		2,688,324	1,946,036
Administrative expenses		<u>2,259,096</u>	<u>1,342,111</u>
		429,228	603,925
Other operating income		<u>20,041</u>	<u>54,519</u>
OPERATING PROFIT	5	449,269	658,444
Interest receivable and similar income		<u>1,041</u>	<u>1,785</u>
		450,310	660,229
Interest payable and similar charges	7	<u>16</u>	<u>567</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		450,294	659,662
Tax on profit on ordinary activities	8	<u>156,530</u>	<u>141,581</u>
PROFIT FOR THE FINANCIAL YEAR		<u>293,764</u>	<u>518,081</u>
Profit attributable to:			
Owners of the parent		368,935	518,081
Minority interests		<u>(75,171)</u>	<u>-</u>
		<u>293,764</u>	<u>518,081</u>

The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Consolidated Other Comprehensive Income
for the Year Ended 31 December 2015**

	Notes	Year Ended 31.12.15 £	Period 21.8.13 to 31.12.14 as restated £
PROFIT FOR THE YEAR		293,764	518,081
OTHER COMPREHENSIVE INCOME			
Disposal of shares in subsidiary		149,596	-
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>149,596</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>443,360</u>	<u>518,081</u>
Total comprehensive income attributable to:			
Owners of the parent		318,100	518,081
Non-controlling interests		<u>125,260</u>	<u>-</u>
		<u>443,360</u>	<u>518,081</u>

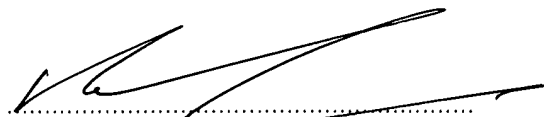
The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Consolidated Balance Sheet
31 December 2015**

		2015		2014 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		274,232		13,739
Tangible assets	13		45,516		26,577
Investments	14		<u>1</u>		<u>-</u>
			319,749		40,316
CURRENT ASSETS					
Debtors	15	2,856,865		2,661,847	
Cash at bank and in hand	16	<u>3,123,892</u>		<u>5,873,772</u>	
		5,980,757		8,535,619	
CREDITORS					
Amounts falling due within one year	17	<u>4,565,809</u>		<u>7,562,632</u>	
NET CURRENT ASSETS			<u>1,414,948</u>		<u>972,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,734,697		1,013,303
MINORITY INTERESTS	20		<u>125,260</u>		<u>-</u>
NET ASSETS			<u>1,609,437</u>		<u>1,013,303</u>
CAPITAL AND RESERVES					
Called up share capital	21		300		300
Share premium	22		224,654		-
Other reserves	22		149,596		-
Profit and loss account	22		<u>1,234,887</u>		<u>1,013,003</u>
SHAREHOLDERS' FUNDS			<u>1,609,437</u>		<u>1,013,303</u>

The financial statements were approved by the Board of Directors on 24 November 2016 and were signed on its behalf by:



.....
Mr R Groves - Director

Samaro Holdings Limited (Registered number: 08659886)

**Company Balance Sheet
31 December 2015**

		2015		2014 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		-		-
Investments	14		<u>225,079</u>		<u>200</u>
			225,079		200
CURRENT ASSETS					
Debtors	15	50,100		100	
Cash at bank	16	<u>273,785</u>		<u>10,953</u>	
		323,885		11,053	
CREDITORS					
Amounts falling due within one year	17	<u>234,315</u>		<u>2,850</u>	
NET CURRENT ASSETS			<u>89,570</u>		<u>8,203</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>314,649</u></u>		<u><u>8,403</u></u>
CAPITAL AND RESERVES					
Called up share capital	21		300		300
Other reserves	22		249,992		-
Profit and loss account	22		<u>64,357</u>		<u>8,103</u>
SHAREHOLDERS' FUNDS			<u><u>314,649</u></u>		<u><u>8,403</u></u>

The financial statements were approved by the Board of Directors on 24 November 2016 and were signed on its behalf by:



 Mr R Groves - Director

Samaro Holdings Limited (Registered number: 08659886)

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2015**

	Called up share capital £	Profit and loss account £	Share premium £
Balance at 21 August 2013	300	611,455	-
Changes in equity			
Dividends	-	(116,533)	-
Total comprehensive income	<u>-</u>	<u>518,081</u>	<u>-</u>
Balance at 31 December 2014	<u>300</u>	<u>1,013,003</u>	<u>-</u>
Changes in equity			
Issue of share capital	-	-	224,654
Dividends	-	(147,051)	-
Total comprehensive income	<u>-</u>	<u>368,935</u>	<u>-</u>
Balance at 31 December 2015	<u>300</u>	<u>1,234,887</u>	<u>224,654</u>

	Other reserves £	Total £	Non-controlling interests £	Total equity £
Balance at 21 August 2013	-	611,755	-	611,755
Changes in equity				
Dividends	-	(116,533)	-	(116,533)
Total comprehensive income	<u>-</u>	<u>518,081</u>	<u>-</u>	<u>518,081</u>
Balance at 31 December 2014	<u>-</u>	<u>1,013,303</u>	<u>-</u>	<u>1,013,303</u>
Changes in equity				
Issue of share capital	-	224,654	-	224,654
Dividends	-	(147,051)	-	(147,051)
Total comprehensive income	<u>149,596</u>	<u>518,531</u>	<u>125,260</u>	<u>643,791</u>
Balance at 31 December 2015	<u>149,596</u>	<u>1,609,437</u>	<u>125,260</u>	<u>1,734,697</u>

The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Company Statement of Changes in Equity
for the Year Ended 31 December 2015**

	Called up share capital £	Profit and loss account £	Other reserves £	Total equity £
Balance at 21 August 2013	300	-	-	300
Changes in equity				
Dividends	-	(49,022)	-	(49,022)
Total comprehensive income	<u>-</u>	<u>57,125</u>	<u>-</u>	<u>57,125</u>
Balance at 31 December 2014	<u>300</u>	<u>8,103</u>	<u>-</u>	<u>8,403</u>
Changes in equity				
Dividends	-	(147,051)	-	(147,051)
Total comprehensive income	<u>-</u>	<u>203,305</u>	<u>249,992</u>	<u>453,297</u>
Balance at 31 December 2015	<u><u>300</u></u>	<u><u>64,357</u></u>	<u><u>249,992</u></u>	<u><u>314,649</u></u>

The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2015**

		Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
	Notes	£	
Cash flows from operating activities			
Cash generated from operations	1	(2,472,359)	2,835,530
Interest paid		(16)	(567)
Tax paid		<u>(145,816)</u>	<u>(100,866)</u>
Net cash from operating activities		<u>(2,618,191)</u>	<u>2,734,097</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(278,743)	(4,000)
Purchase of tangible fixed assets		(47,387)	(4,650)
Purchase of fixed asset investments		(1)	-
Sale of shares in subsidiary		250,000	-
Interest received		<u>1,041</u>	<u>1,785</u>
Net cash from investing activities		<u>(75,090)</u>	<u>(6,865)</u>
Cash flows from financing activities			
Amount introduced by directors		30,243	32,078
Amount withdrawn by directors		(164,545)	(43,342)
Share issue		224,754	300
Equity dividends paid		<u>(147,051)</u>	<u>(116,533)</u>
Net cash from financing activities		<u>(56,599)</u>	<u>(127,497)</u>
(Decrease)/increase in cash and cash equivalents		(2,749,880)	2,599,735
Cash and cash equivalents at beginning of year	2	<u>5,873,772</u>	<u>3,274,037</u>
Cash and cash equivalents at end of year	2	<u><u>3,123,892</u></u>	<u><u>5,873,772</u></u>

The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2015**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
	£	£
Profit before taxation	450,294	659,662
Depreciation charges	44,517	9,545
Loss on disposal of fixed assets	2,181	-
Finance costs	16	567
Finance income	<u>(1,041)</u>	<u>(1,785)</u>
	495,967	667,989
(Increase)/decrease in trade and other debtors	(18,054)	505,841
(Decrease)/increase in trade and other creditors	<u>(2,950,272)</u>	<u>1,661,700</u>
Cash generated from operations	<u>(2,472,359)</u>	<u>2,835,530</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2015

	31.12.15 £	1.1.15 £
Cash and cash equivalents	<u>3,123,892</u>	<u>5,873,772</u>

Period ended 31 December 2014

	31.12.14 as restated £	21.8.13 £
Cash and cash equivalents	<u>5,873,772</u>	<u>3,274,037</u>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2015**

1. COMPANY INFORMATION

Samaro Holdings Limited is a company limited by shares, incorporated in England and Wales. Its principal place of business is 120 Moorgate, London, EC2M 6UR. The nature of the company's operations and principal activities are set out in the Strategic Report and Report of the Directors.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

This is the first year in which the financial statements have been prepared under FRS 102.

The financial statements are presented in Sterling £.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of value added tax.

The company recognises turnover when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for the company's activities described below.

Rendering of services:

Turnover from software subscriptions is recognised by reference to the amount receivable under the contract terms.

Turnover from commissions receivable on the supply of foreign exchange risk management services is recognised on the date the foreign exchange transaction is completed.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2015, is being amortised evenly over its estimated useful life of five years.

Intangible fixed assets

Other intangible assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Other intangible assets are amortised over their estimated useful life of five years using the straight line method.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- in accordance with length of lease
Plant and machinery	- 25% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

Current taxation is the amount of taxation tax payable in respect of the taxable profit for the year or prior years.

A deferred taxation asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of the current and previous period.

Deferred taxation arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred taxation recognised on all timing differences at the reporting date apart from certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred taxation is measured using the tax rates and laws that have been enacted or subsequently enacted by the reporting date and that are expected to apply to the reversal of the timing differences. Deferred tax relating to land and buildings measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised in full in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets classified as fair value through the statement of comprehensive income are measured at fair value. The company's only fair value financial assets comprise forward exchange contracts with clients and banking counterparties. Such contracts are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of comprehensive income. These contracts are carried as financial assets when their fair value is positive and as financial liabilities when their fair value is negative.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through the statement of comprehensive income or other financial liabilities.

The company's only financial liabilities at fair value through the statement of comprehensive income are forward currency exchange contracts which are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of comprehensive income.

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all of the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is liable to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation in the contract is discharged, cancelled or expires.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

2. ACCOUNTING POLICIES - continued

Derivative financial instruments

The company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risk, including foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in the profit and loss account immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Client monies owed

Amounts owed to clients comprise amounts received in advance from clients in respect of foreign exchange transactions prior to the maturity date of a trade and currency owed to clients after the maturity date awaiting disbursement.

Amounts held on deposit with financial institutions

Amounts held on deposit with financial institutions comprise amounts paid in advance in respect of foreign exchange transactions prior to the maturity date of a trade and currency owed by financial institutions after maturity date awaiting disbursement.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions for liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at salary cost payable for the period of absence.

Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
	£	£
Foreign exchange services	2,707,136	1,946,036
Software subscriptions	<u>1,000</u>	<u>-</u>
	<u><u>2,708,136</u></u>	<u><u>1,946,036</u></u>

An analysis of turnover by geographical market is given below:

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
	£	£
United Kingdom	2,674,560	1,922,065
Europe	-	999
United States of America	19,404	21,036
Asia	7,353	-
Australasia	<u>6,819</u>	<u>1,936</u>
	<u><u>2,708,136</u></u>	<u><u>1,946,036</u></u>

4. STAFF COSTS

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
	£	£
Wages and salaries	465,253	320,478
Social security costs	43,484	29,320
Other pension costs	<u>21,900</u>	<u>5,300</u>
	<u><u>530,637</u></u>	<u><u>355,098</u></u>

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

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
Directors	2	2
Compliance	2	2
Administrative	5	5
Sales	<u>4</u>	<u>4</u>
	<u><u>13</u></u>	<u><u>13</u></u>

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

5. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
Depreciation - owned assets	26,267	5,231
Loss on disposal of fixed assets	2,181	-
Goodwill amortisation	13,937	-
Other intangible assets amortisation	4,313	4,314
Operating lease payments in respect of land and buildings	<u>37,201</u>	<u>-</u>
Directors' remuneration	110,256	58,354
Directors' pension contributions to money purchase schemes	<u>15,500</u>	<u>4,400</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

6. AUDITORS' REMUNERATION

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>24,500</u>	-
Total audit fees	<u>24,500</u>	-
Taxation compliance services	6,274	-
Other non- audit services	<u>20,195</u>	-
Total non-audit fees	<u>26,469</u>	-
Total fees payable	<u>50,969</u>	-

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
Other interest payable	<u>16</u>	<u>567</u>

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

8. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
	£	£
Current tax:		
UK corporation tax	199,192	136,525
Under (over) provision of corporation tax in prior year	-	5,056
Research and development tax credit	<u>(42,662)</u>	<u>-</u>
 Tax on profit on ordinary activities	 <u>156,530</u>	 <u>141,581</u>

UK corporation tax has been charged at 20%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated £
	£	£
Profit on ordinary activities before tax	<u>450,294</u>	<u>659,662</u>
 Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	 90,059	 131,932
Effects of:		
Expenses not deductible for tax purposes	4,896	5,553
Capital allowances in excess of depreciation	(3,081)	-
Depreciation in excess of capital allowances	-	88
Utilisation of tax losses	(515)	515
Adjustments to tax charge in respect of previous periods	-	5,056
Fair value adjustments on foreign exchange contracts	60,676	(11,038)
Impact of research and development	(463)	-
Impact of differing tax rates applicable within group	1,571	9,475
Impact of elimination on inter-group trading	<u>3,387</u>	<u>-</u>
 Total tax charge	 <u>156,530</u>	 <u>141,581</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2015 Tax £	Net £
Disposal of shares in subsidiary	<u>149,596</u>	-	<u>149,596</u>
	<u>149,596</u>	-	<u>149,596</u>

At the period end a group company has unused tax losses of £428,014.

9. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £203,305 (2014 - £57,125).

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

10. DIVIDENDS

	Year Ended 31.12.15	Period 21.8.13 to 31.12.14 as restated
	£	£
Ordinary 'A' shares of £1 each		
Interim	51,700	30,000
Ordinary 'B' shares of £1 each		
Interim	41,700	30,000
Ordinary 'C' shares of £1 each		
Interim	<u>53,651</u>	<u>56,533</u>
	<u>147,051</u>	<u>116,533</u>

11. PRIOR YEAR ADJUSTMENT

The purchase of an intangible asset was previously included as Goodwill. It has now been reclassified as other intangible fixed assets. The amortisation period remains as previously reported and there is no impact on the retained profits or balance sheet of the previous period, save for the classification of the entire intangible fixed asset category.

Trade debtors and client monies owed, as at 31 December 2014, were overstated by £158,277. A prior year adjustment has been made to correct these errors and there is no impact on retained profits.

12. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Other intangible assets £	Totals £
COST			
At 1 January 2015	-	21,566	21,566
Additions	<u>278,743</u>	<u>-</u>	<u>278,743</u>
At 31 December 2015	<u>278,743</u>	<u>21,566</u>	<u>300,309</u>
AMORTISATION			
At 1 January 2015	-	7,827	7,827
Amortisation for year	<u>13,937</u>	<u>4,313</u>	<u>18,250</u>
At 31 December 2015	<u>13,937</u>	<u>12,140</u>	<u>26,077</u>
NET BOOK VALUE			
At 31 December 2015	<u>264,806</u>	<u>9,426</u>	<u>274,232</u>
At 31 December 2014	<u>-</u>	<u>13,739</u>	<u>13,739</u>

Other intangible fixed assets relate to the acquisition of a client base. The amortisation period is over five years. At each reporting date an impairment review is undertaken where any impairment loss is recognised immediately in the Balance Sheet.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015

13. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2015	-	15,573	7,735	28,251	51,559
Additions	4,485	-	14,173	28,729	47,387
Disposals	-	-	(7,735)	-	(7,735)
At 31 December 2015	<u>4,485</u>	<u>15,573</u>	<u>14,173</u>	<u>56,980</u>	<u>91,211</u>
DEPRECIATION					
At 1 January 2015	-	12,143	4,394	8,445	24,982
Charge for year	748	3,430	3,286	18,803	26,267
Eliminated on disposal	-	-	(5,554)	-	(5,554)
At 31 December 2015	<u>748</u>	<u>15,573</u>	<u>2,126</u>	<u>27,248</u>	<u>45,695</u>
NET BOOK VALUE					
At 31 December 2015	<u>3,737</u>	<u>-</u>	<u>12,047</u>	<u>29,732</u>	<u>45,516</u>
At 31 December 2014	<u>-</u>	<u>3,430</u>	<u>3,341</u>	<u>19,806</u>	<u>26,577</u>

14. FIXED ASSET INVESTMENTS

Group	Shares in group undertakings £
COST	
Additions	<u>1</u>
At 31 December 2015	<u>1</u>
NET BOOK VALUE	
At 31 December 2015	<u>1</u>
Company	Shares in group undertakings £
COST	
At 1 January 2015	200
Additions	224,887
Disposals	<u>(8)</u>
At 31 December 2015	<u>225,079</u>
NET BOOK VALUE	
At 31 December 2015	<u>225,079</u>
At 31 December 2014	<u>200</u>

Samaro Holdings Limited (Registered number: 08659886)
Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015

14. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Infinity International Limited		Nature of business: Foreign exchange dealing & consultancy	
Class of shares :		% holding	
Ordinary A			
Ordinary B			
Ordinary C			
Preferred Ordinary			
Ordinary			
Aggregate capital and reserves	2015	2014	
Profit for the period	1,281,518	1,005,000	
	460,018	520,956	

During the period, Infinity International Limited restructured the company's capital and Samaro Holdings Limited sold part of its investment to an entity outside of the group.

Samaro Properties Limited

Nature of business: Property investment		% holding	
Class of shares:		% holding	
Ordinary			
Aggregate capital and reserves	2015	2014	
Profit for the period	100	100	

This company was dissolved on 26 April 2016.

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

14. FIXED ASSET INVESTMENTS - continued

Synops Technologies Limited

Nature of business: Development of software

Class of shares:	% holding	2015	30.6.15
Ordinary	9.18	£	£
Aggregate capital and reserves		101,704	(178,726)
Loss for the period		<u>(169,121)</u>	<u>(178,816)</u>

This company is considered a subsidiary due to the control implicit in the joint directorship of Mr. R. Groves and the accumulated shareholding of Mr. Groves and Samaro Holdings Ltd (a company in which he is the controlling party) being a controlling interest in Synops Technologies Limited.

On 25 September 2015 Samaro Holdings Limited acquired 9.18 % of Synops Technologies Ltd for a cash consideration of £224,887.

Analysis of the acquisition of Synops Technologies Ltd:

Net assets at date of acquisition:

	Book value £	Revaluation adjustment £	Fair value to group £
Debtors	84,659	-	84,659
Cash at bank and in hand	203,734	-	203,734
Creditors	<u>(117,495)</u>	-	<u>(117,495)</u>
Net assets	<u>170,898</u>	-	170,898
Goodwill arising on acquisition			<u>278,743</u>
			<u>449,641</u>
Discharged by:			
Cash by controlling interests			
Cash by non-controlling interests			224,936
Total cash			<u>224,705</u>
			<u>449,641</u>

Prior to this business combination, the company had an accounting reference date of 30 June. The accounting reference date was shortened to 31 December 2015 in order to be coterminous with the Group as a whole.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014 as restated	2015	2014 as restated
	£	£	£	£
Trade debtors	6,443	-	-	-
Other debtors	341,946	143,137	50,100	100
Derivative financial assets	2,463,257	2,518,457	-	-
Prepayments and accrued income	<u>45,219</u>	<u>253</u>	-	-
	<u>2,856,865</u>	<u>2,661,847</u>	<u>50,100</u>	<u>100</u>

16. CASH AT BANK AND IN HAND

The cash at bank and in hand balance of £3,123,792 as at 31 December 2015 (31 December 2014: £5,873,672) includes £1,947,683 (31 December 2014: £4,913,789) held in respect of customer balances, the liability for which is held within client monies owed (see note 17). Of this amount Samaro Holdings Limited held £973,072 (31 December 2014: £2,376,740) of cash in designated accounts in accordance with the EU Payments Services Directive.

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014 as restated	2015	2014 as restated
	£	£	£	£
Trade creditors	63,643	-	-	-
Amounts owed to group undertakings	-	-	225,007	1,410
Tax	197,121	143,745	4,307	-
Social security and other taxes	17,506	7,097	-	-
Client monies owed	1,955,944	5,139,128	300	300
Other creditors	3,010	5,486	-	-
Derivative financial liabilities	2,143,747	2,218,678	-	-
Accruals and deferred income	<u>184,838</u>	<u>48,498</u>	<u>4,701</u>	<u>1,140</u>
	<u><u>4,565,809</u></u>	<u><u>7,562,632</u></u>	<u><u>234,315</u></u>	<u><u>2,850</u></u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	2015	2014 as restated
	£	£
Within one year	111,334	15,810
Between one and five years	<u>74,810</u>	<u>-</u>
	<u><u>186,144</u></u>	<u><u>15,810</u></u>

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

19. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Financial assets:		
Trade and other debtors	393,608	143,390
Cash at bank and in hand	3,123,892	5,873,772
Financial assets measured at fair value through profit or loss:		
Forward foreign currency exchange contracts	2,463,257	2,518,457
Financial assets measured at amortised cost		
Total financial assets	<u>5,980,757</u>	<u>8,535,619</u>
Financial liabilities:		
Trade and other creditors	2,422,062	5,343,954
Financial liabilities measured at fair value through profit or loss:		
Forward foreign currency exchange contracts	2,143,747	2,218,678
Financial liabilities measured at amortised cost		
Total financial liabilities	<u>4,565,809</u>	<u>7,562,632</u>

The following methods and assumptions were used to measure fair values.

Level 3 assets and liabilities - Trade and other debtors, cash and cash equivalents and trade and other creditors approximate to their carrying amount due to the short term to the maturity of these instruments.

Level 2 assets and liabilities - Forward foreign currency exchange contracts are valued using quoted exchange rates.

Derivative financial assets and liabilities

Financial instruments at fair value through profit and loss

	2015 £	2014 £
Derivative financial assets:		
Forward foreign currency exchange contracts	2,463,257	2,518,457
Derivative financial liabilities:		
Forward foreign currency exchange contracts	<u>2,143,747</u>	<u>2,218,678</u>
Net forward foreign currency exchange contracts	319,510	299,779
Net impact on profit and loss in year	<u>19,731</u>	<u>51,505</u>

20. MINORITY INTERESTS

Minority interests consist of the following amounts:

	Year Ended 31.12.15 £	Period 21.8.13 to 31.12.2014 as restated £
Non-controlling interests in subsidiary acquisition	100,027	-
Non-controlling interests in sale of shares in subsidiary	100,404	-
Non-controlling interest in group profit/(loss)	<u>(75,171)</u>	<u>-</u>
	<u>125,260</u>	<u>-</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:
Number: Class:

		Nominal value:	2015 £	2014 as restated £
153	Ordinary 'A'	£1	153	153
117	Ordinary 'B'	£1	117	117
30	Ordinary 'C'	£1	<u>30</u>	<u>30</u>
			<u>300</u>	<u>300</u>

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

21. CALLED UP SHARE CAPITAL - continued

The ordinary shareholders are entitled to one vote in any circumstances and entitled pari passu to payments of dividends and return of capital.

22. RESERVES

Group

	Profit and loss account £	Share premium £	Other reserves £	Totals £
At 1 January 2015	1,013,003	-	-	1,013,003
Profit for the year	368,935			368,935
Dividends	(147,051)			(147,051)
Cash share issue	-	224,654	-	224,654
Disposal of shares in subsidiary to non-controlling interest	-	-	149,596	149,596
At 31 December 2015	<u>1,234,887</u>	<u>224,654</u>	<u>149,596</u>	<u>1,609,137</u>

Company

	Profit and loss account £	Other reserves £	Totals £
At 1 January 2015	8,103	-	8,103
Profit for the year	203,305		203,305
Dividends	(147,051)		(147,051)
Disposal of shares in subsidiary to non-controlling interest	-	249,992	249,992
At 31 December 2015	<u>64,357</u>	<u>249,992</u>	<u>314,349</u>

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the year ended 31 December 2015 and the period ended 31 December 2014:

	2015 £	2014 as restated £
Mr R Groves		
Balance outstanding at start of year	24,574	151
Amounts advanced	163,701	29,101
Amounts repaid	(30,243)	(4,678)
Balance outstanding at end of year	<u>158,032</u>	<u>24,574</u>
Mr M Baker		
Balance outstanding at start of year	4,467	20,010
Amounts advanced	743	11,957
Amounts repaid	-	(27,500)
Balance outstanding at end of year	<u>5,210</u>	<u>4,467</u>

The above loans are unsecured, repayable on demand and interest free.

Samaro Holdings Limited (Registered number: 08659886)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

24. RELATED PARTY DISCLOSURES

	2015	2014
	£	£
Key management personnel compensation	95,873	62,754

During the year, the company operated loan accounts with the directors. Further information can be found in the note above.

As at 1 January 2015, the group was due £15,543 from an American company, in which an owner of the parent company is a shareholder. During the year, the group advanced this entity £13,104 (2014: £2,491) and received £20,175 (2014: £12,288). As at 31 December 2015, the Samaro Holdings Limited was due £8,472 from the entity. The loan is unsecured, interest free and repayable on demand.

During the year, the group operated a loan account with an owner of the parent company. As at the 1 January 2015, the owner of the parent company owed the company £10,039 (2014: £10,039). In the year, there has been no withdrawals (2014: £10,039). As at 31 December 2015 the owner of the parent company owed the company £10,039 (2014: £10,039). The loan is unsecured, interest free and repayable on demand.

25. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr R Groves who has a majority interest in the issued share capital of Samaro Holdings Limited.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

26. FINANCIAL RISK MANAGEMENT

The company has exposure to four main areas of risk - foreign currency, credit risk, capital management and liquidity risk.

Foreign currency

The company's foreign currency risk arises from its primary business model. The company executes spot and forward foreign currency contracts with its clients, principally trading GBP, EUR and USD. To the extent that client contracts are not complimentary in currency pair, direction or maturity date, the company enters into foreign currency contracts and cross currency swaps with financial institutions.

Forward contract exposures are set out in the table below.

	Creditors £'000	Debtors £'000	Net exposure £'000	Fair value £'000
31 December 2015	62,704	63,023	319	319
31 December 2014	64,959	65,259	300	300

All derivatives included on the balance sheet are a matched client trade and counterparty trade. Because of this the company has no derivatives that are unmatched and therefore the company is not affected by changes in exchange rates other than the revaluation of profits earned in a foreign currency which are deemed immaterial.

Credit risk

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterpart's and obtaining security payments on forward trades as a means of mitigating the risk of financial loss from non-settlement of trade.

Management believes that the credit risk on amounts held on deposit with bank counterparties and on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Included within cash at bank are amounts totalling £814K (31 December 2014 - £120K) held by various financial institutions as collateral.

Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to its stakeholders and maintaining capital adequacy in accordance with its regulatory obligations. Capital is monitored on a regular basis by the directors and further details can be found in the note below.

Liquidity risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due through operating cash flows. The company continuously matches the maturity profiles of financial assets and liabilities.

The maturity analysis of derivative financial instruments is set out below showing the remaining contractual maturities at undiscounted amounts.

	Within 30 days £'000	30 to 90 days £'000	90 to 365 days £'000	More than one year £'000	Total £'000
31 December 2015					
Forward contract debtors	1,340	9,177	45,732	6,774	63,023
Forward contract creditors	(1,335)	(9,152)	(45,490)	(6,727)	(62,704)
	<u>5</u>	<u>25</u>	<u>242</u>	<u>47</u>	<u>319</u>

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**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2015**

	Within 30 days £'000	30 to 90 days £'000	90 to 365 days £'000	More than one year £'000	Total £'000
31 December 2014					
Forward contract debtors	764	13,919	46,340	4,236	65,259
Forward contract creditors	<u>(758)</u>	<u>(13,886)</u>	<u>(46,093)</u>	<u>(4,222)</u>	<u>(64,959)</u>
	<u>6</u>	<u>33</u>	<u>247</u>	<u>14</u>	<u>300</u>

27. REGULATORY DISCLOSURE AND CAPITAL RISK MANAGEMENT

The company manages its capital in accordance with the Capital Requirements Directive and Financial Conduct Authority (FCA) rules relating thereto. As a part of the latter the company has an Internal Capital Adequacy Assessment Process (ICAAP) to manage its capital adequacy.

Since obtaining authorisation with the FCA in the period ended 31 December 2015 the company has maintained its capital at a level above the above FCA requirements. As at 31 December 2015 the company's regulatory position was:-

	2015 £
Capital resources	
Share capital	300
Profit and loss account	1,234,887
Less illiquid assets	
Intangible assets	(274,232)
Tangible assets	(45,516)
Prepayments and accrued income	<u>(45,219)</u>
Total capital resources	870,220
Capital requirement	<u>(326,000)</u>
Excess capital	<u>544,220</u>

28. FIRST YEAR ADOPTION

The company has adopted FRS 102 for the year ended 31 December 2015 and has restated the comparative prior year amounts. The following were changes in accounting policies arising from transition to FRS 102.

Financial Instruments

The group was not previously required to recognise derivative financial instruments on the balance sheet. Instead the effects of the derivative financial instruments were recognised in profit or loss on settlement.

Under FRS 102, derivative financial instruments are classified as other financial instruments and are recognised as a financial asset or liability, at fair value, when an entity becomes party to the contractual provisions of the instrument.

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**Reconciliation of Equity
21 August 2013
(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		14,053	-	14,053
Tangible assets		<u>27,158</u>	<u>-</u>	<u>27,158</u>
		<u>41,211</u>	<u>-</u>	<u>41,211</u>
CURRENT ASSETS				
Debtors	1	241,947	2,911,132	3,153,079
Prepayments and accrued income		5,867	-	5,867
Cash at bank and in hand		<u>3,274,037</u>	<u>-</u>	<u>3,274,037</u>
		<u>3,521,851</u>	<u>2,911,132</u>	<u>6,432,983</u>
CREDITORS				
Amounts falling due within one year	1	<u>(3,199,581)</u>	<u>(2,662,858)</u>	<u>(5,862,439)</u>
NET CURRENT ASSETS		<u>322,270</u>	<u>248,274</u>	<u>570,544</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>363,481</u>	<u>248,274</u>	<u>611,755</u>
NET ASSETS		<u>363,481</u>	<u>248,274</u>	<u>611,755</u>
CAPITAL AND RESERVES				
Called up share capital		300	-	300
Profit and loss account	2	<u>363,181</u>	<u>248,274</u>	<u>611,455</u>
SHAREHOLDERS' FUNDS		<u>363,481</u>	<u>248,274</u>	<u>611,755</u>

The notes form part of these financial statements

Samaro Holdings Limited (Registered number: 08659886)

**Reconciliation of Equity - continued
31 December 2014**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		13,739	-	13,739
Tangible assets		<u>26,577</u>	<u>-</u>	<u>26,577</u>
		<u>40,316</u>	<u>-</u>	<u>40,316</u>
CURRENT ASSETS				
Debtors	1	143,390	2,518,457	2,661,847
Cash at bank and in hand		<u>5,873,772</u>	<u>-</u>	<u>5,873,772</u>
		<u>6,017,162</u>	<u>2,518,457</u>	<u>8,535,619</u>
CREDITORS				
Amounts falling due within one year	1	<u>(5,343,954)</u>	<u>(2,218,678)</u>	<u>(7,562,632)</u>
NET CURRENT ASSETS		<u>673,208</u>	<u>299,779</u>	<u>972,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>713,524</u>	<u>299,779</u>	<u>1,013,303</u>
NET ASSETS		<u>713,524</u>	<u>299,779</u>	<u>1,013,303</u>
CAPITAL AND RESERVES				
Called up share capital		300	-	300
Profit and loss account	2	<u>713,224</u>	<u>299,779</u>	<u>1,013,003</u>
SHAREHOLDERS' FUNDS		<u>713,524</u>	<u>299,779</u>	<u>1,013,303</u>

Notes to the reconciliation of equity

1. On the adoption of the requirements of FRS 102, derivative financial assets of £2,911,132 and derivative financial liabilities of £2,662,858 have been recognised on the balance sheet at the date of transition, 21 August 2013.

At 31 December 2014, the fair values of the derivative financial assets and derivative financial liabilities were £2,518,457 and £2,218,678 respectively.

2. In accordance with the accounting policy, at the date of transition, the difference between the fair values of the derivative financial assets and derivative financial liabilities of £248,274 has been recognised in the profit and loss account.

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**Reconciliation of Profit
for the Period 21 August 2013 to 31 December 2014**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER		1,946,036	-	1,946,036
Administrative expenses		(1,342,111)	-	(1,342,111)
Other operating income	1	<u>3,014</u>	<u>51,505</u>	<u>54,519</u>
OPERATING PROFIT		606,939	51,505	658,444
Interest receivable and similar income		1,785	-	1,785
Interest payable and similar charges		<u>(567)</u>	<u>-</u>	<u>(567)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		608,157	51,505	659,662
Tax on profit on ordinary activities		<u>(141,581)</u>	<u>-</u>	<u>(141,581)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>466,576</u>	<u>51,505</u>	<u>518,081</u>
Profit attributable to: Owners of the parent				<u>518,081</u>

Notes to the reconciliation of profit or loss

1. During the period ended 31 December 2014 there was a net movement in derivative financial asset and derivative financial liability fair values of £51,505 which has been recognised in profit and loss for the period.