



**VISA Europe Management Services Limited**

**2016 FINANCIAL STATEMENTS**

**Registered Number 08778032**

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## **Strategic Report**

The directors present their strategic report for the period ended 30 September 2016.

### **Review of the business**

Visa Europe Management Services Limited was incorporated on 15 November 2013 and began trading on 1 January 2014. The principal activity of the company is to provide administrative and marketing support services to its immediate parent company Visa Europe Services LLC (formerly Visa Europe Services Inc.).

The company made a profit after tax for the period and attributable to the ordinary shareholders of €2,531,479 (2015: €780,764), which is set out on page 6. The increase in earnings for the period is due to 2016 having full year results for five branches whereas 2015 had full year results for two branches, plus one month for Sweden. The balance sheet is on page 7 and shows a net asset balance of €4,276,538 (2015: €1,468,421).

The Company statement of cash flow is on page 9 and it shows positive net cash inflow as cash and cash equivalents increased from €1,030,800 in 2015 to €1,433,270 in 2016.

The performance of the company has been in line with expectation, supporting the immediate parent company, Visa Europe Services LLC by providing administrative and marketing services to assist the Visa group to expand in local markets across Europe. The company covers the operations of local branch offices in Italy, Spain, Sweden and the two additional branch offices of Poland and Germany that were added during the year resulting in an increase from three to five branches when compared to the last fiscal year.

### **Principal risks and uncertainties**

Risks and uncertainties are managed on a group level. The group is comprised of Visa Europe Limited and its subsidiaries. These risks and uncertainties are set out in the publicly available consolidated financial statements of Visa Europe Limited. An enterprise-wide risk management framework is used to identify, assess, measure, report and manage all types of risk, and to align the risk management with the business strategy.

### **Future developments**

The company will continue to provide administrative and marketing support to the immediate parent company.

By order of the Board



William Sheedy  
Director

26 July 2017

## Directors' report

The directors present their annual report together with the audited financial statements for Visa Europe Management Services Limited ("the company") for the period ended 30 September 2016.

### Principal activities, review of business and future developments

Visa Europe Management Services Limited was incorporated on 15 November 2013 and began trading on 1 January 2014. The principal activity of the company is to provide administrative and marketing support services to its immediate parent company Visa Europe Services LLC (formerly Visa Europe Services Inc.). Turnover has increased to €38,374,000 from €13,185,000 in 2015. The increase is mainly attributable to the two additional branches added to VEMS during 2016 fiscal year.

Also during the year, the group, which is comprised of Visa Europe Limited and its subsidiaries, was acquired by Visa Inc., a company incorporated in the United States of America on 21 June 2016. This resulted in the group transitioning from a membership organisation to a for-profit organisation.

### Directors

The directors who held office during the period and up to the signing date of these financial statements are as follows:

Nicolas Huss	(resigned 1 April 2017)
Philip Symes	(resigned 18 November 2016)
William Sheedy	(appointed 1 April 2017)
Jose Souto Gonzalez	(appointed 18 November 2016)

None of the directors who held office at 30 September 2016 had any interest in the shares of the Company or were granted or exercised any right to subscribe for shares in, or debentures of the company.

The directors benefit from qualifying third party indemnity provisions in place during the period and at the date of this report.

### Results and dividends

The company made a profit after tax for the period and attributable to the ordinary shareholders of €2,531,479 (2015: 780,764), which is set out on page 6. The balance sheet is on page 7 and shows a net asset balance of €4,276,538 (2015: €1,468,421).

The directors do not recommend any dividend (2015: €Nil).

### Employees

It is the company's policy to ensure that no job applicant or employee is disadvantaged or receives unfavourable treatment and that all employees have the opportunity for advancement and development, regardless of race, colour, nationality or ethnic origins, sex, marital status, disability, religion or sexual orientation. The company's ultimate parent company, Visa Europe Limited, is an equal opportunity employer. Equal opportunity is about good employment practices and treating our most valuable asset, our employees, fairly and equally.

The company is also committed to ensuring that all prospective applicants for employment are treated fairly and equitably throughout the recruitment process. The company provides reasonable workplace adjustments for new entrants into the company and for existing employees who become disabled during their employment.

The company has established clear standards of communication for all of our employees, to provide information and to consult with our employees about important developments in the business and future changes to the organisation, and to generate an understanding of our purpose, strategy, values and business performance on an ongoing basis. Employees are provided with an anonymous channel to communicate views and opinions about working for Visa Europe through an annual Employee Engagement survey.

### Financial risk management

The company is exposed to market risk, settlement risk, liquidity risk and other price risk, which are the same set of exposures for all entities within the group. Financial risk is managed on a group level and is set out in the publicly available consolidated financial statements of Visa Europe Limited.

### Political donations

The company made no political contributions during the year (2015: €Nil).

## **Directors' report (Continued)**

### **Branches outside UK**

Although the company is a UK registered company its operations during the fiscal year were through its branch offices in five European countries; Italy, Spain, Sweden, Poland and Germany

### **Going concern**

The Directors have prepared the 2016 financial statements on the going concern basis, having given due consideration to the Company's financial liabilities and the financial resources available to meet its obligations.

### **Post balance sheet event**

In February 2017 the company's immediate parent company, Visa Europe Services Inc., underwent a reorganisation which resulted in the conversion of the company from a Delaware Corporation to a Delaware Limited Liability Company. Accordingly, from 17 February 2017, the parent company was renamed Visa Europe Services LLC.

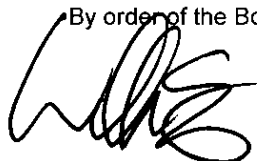
### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the 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.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



William Sheedy  
Director  
1 Sheldon Square  
London, W2 6TT

26 July 2017

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Visa Europe Management Services Limited**

We have audited the financial statements of Visa Europe Management Services Limited for the year ended 30 September 2016 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://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 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; 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.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

### **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.

*Mike Peck*

**Michael Peck (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London E14 5GL

27 July 2017

## Income Statement

For the year ended 30 September 2016

		2016	2015
	Note	€	€
Turnover		38,374,104	13,185,473
Administrative expenses	3	(34,262,775)	(11,772,836)
<b>Profit on ordinary activities before taxation</b>		<b>4,111,329</b>	<b>1,412,637</b>
Tax on profit on ordinary activities	5	(1,579,850)	(631,873)
<b>Profit on ordinary activities after taxation</b>		<b>2,531,479</b>	<b>780,764</b>

## Statement of other comprehensive income

For the year ended 30 September 2016

	2016	2015
	€	€
Profit for the year attributable to equity holders of the parent	2,531,479	780,764
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>2,531,479</b>	<b>780,764</b>

The notes on pages 10 to 15 form part of these financial statements

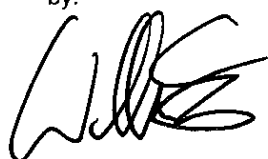
## Statement of Financial Position

As at 30 September 2016

	Note	2016 €	2015 €
<b>Fixed assets</b>			
Property, plant & equipment	10	678,582	642,168
		<b>678,582</b>	<b>642,168</b>
<b>Current assets</b>			
Cash at bank	6	1,433,270	1,030,782
Trade receivables	7	10,591,491	2,463,818
		<b>12,024,761</b>	<b>3,494,600</b>
<b>Current liabilities</b>			
Trade payables	8	(7,247,571)	(2,366,723)
Current tax liabilities		(1,179,234)	(301,624)
		<b>(8,426,805)</b>	<b>(2,668,347)</b>
<b>Net current assets</b>		<b>3,597,956</b>	<b>826,253</b>
<b>Net assets</b>		<b>4,276,538</b>	<b>1,468,421</b>
<b>Capital &amp; Reserves</b>			
Share Capital	9	1	1
Retained Earnings	11	4,276,537	1,468,420
<b>Shareholders' funds</b>		<b>4,276,538</b>	<b>1,468,421</b>

The notes on pages 10 to 15 form part of these financial statements

The financial statements were approved by the Board of directors on 26 July 2017, and were signed on its behalf by:



William Sheedy  
Director

26 July 2017

Company registered number 08778032

## Statement of changes in equity

As at 30 September

Attributable to equity holders of the company			
	Share capital	Retained earnings	Total equity
	€	€	€
<b>Balance at 30 September 2015</b>	<b>1</b>	<b>1,468,420</b>	<b>1,468,421</b>
<b>Total comprehensive income for the year</b>			
Profit and loss after tax	-	2,531,479	2,531,479
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>2,531,479</b>	<b>2,531,479</b>
<b>Transactions with owners, recorded directly in equity</b>			
Contributions by and distribution to owners:			
Equity settled share based payment transactions	-	276,638	276,638
	-	276,638	276,638
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>276,638</b>	<b>276,638</b>
<b>Balance at 30 September 2016</b>	<b>1</b>	<b>4,276,537</b>	<b>4,276,538</b>
<b>Balance at 1 October 2014</b>	<b>1</b>	<b>687,656</b>	<b>687,657</b>
<b>Total comprehensive income for the year</b>			
Profit and loss after tax	-	780,764	780,764
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>780,764</b>	<b>780,764</b>
<b>Transactions with owners, recorded directly in equity</b>			
Contributions by and distribution to owners:			
Equity settled share based payment transactions	-	-	-
	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 30 September 2015</b>	<b>1</b>	<b>1,468,420</b>	<b>1,468,421</b>

The notes on pages 10 to 15 form part of these financial statements.

## Statement of cash flow

As at 30 September

	Note	2016 €	2015 €
Profit before tax		4,111,329	1,412,637
<i>Adjustments for:</i>			
Depreciation and impairment of property, plant and equipment	10	415,441	119,020
Foreign exchange (gain)		(77,170)	(20,533)
Share based compensation	4	276,638	-
<b>Operating cash flows before movements in working capital</b>		<b>4,726,238</b>	<b>1,511,124</b>
(Increase) in receivables		(8,481,123)	(517,742)
Increase/(decrease) in payables		4,847,064	(313,840)
<b>Cash generated by operations</b>		<b>1,092,179</b>	<b>679,542</b>
Income taxes paid		(738,176)	(863,769)
<b>Net cash from operating activities</b>		<b>354,003</b>	<b>(184,227)</b>
<b>Investing activities</b>			
<b>Net cash used in investing activities</b>		<b>-</b>	<b>-</b>
<b>Financing activities</b>			
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>354,003</b>	<b>(184,227)</b>
Cash and cash equivalents at the beginning of the year		1,030,782	1,214,666
Effect of foreign exchange rate changes thereon		48,485	343
<b>Cash and cash equivalents at the end of the year, net of overdraft</b>	6	<b>1,433,270</b>	<b>1,030,782</b>

The notes on pages 10 to 15 form part of these financial statements.

## **Notes to the financial statements**

### **For the year ended 30 September 2016**

#### **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **IFRS 1**

This is the first year that the Company has presented its financial statements under International Financial Reporting Standards ('IFRS'). The last set of financial statements was previously prepared under UK GAAP until 30 September 2015 and the date of transition to IFRS was 1 October 2015. UK GAAP differs in certain respects from IFRS, however none of the differences applied to the Company and there were no accounting differences on conversion from UK GAAP to IFRS.

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with IFRSs as adopted by the EU. These financial statements are presented in Euros, which is both the functional and presentational currency.

#### **Going Concern**

The Directors have prepared the financial statements under the going concern basis having given due consideration to the Company's financial liabilities and the financial resources available to meet its obligations.

#### **Cash and cash equivalents**

Cash and cash equivalents are comprised of cash balances and call deposits. Bank overdrafts that are repayable on demand form an integral part of the company's cash management and are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

#### **Share-based payments**

The ultimate parent company of the group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the group's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

The fair value of awards of non-vested shares is equal to the closing price of the Visa Inc. shares on the date of grant, adjusted for the present value of future dividend entitlements where appropriate.

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

The Company did not have any critical accounting policies or make any critical judgements or estimates during the current and previous fiscal years.

#### **Turnover**

Turnover consists of fees earned under a supply of services agreement between the company and Visa Europe Services LLC, the company's immediate parent company. Certain subcontracted services are provided under this agreement, primarily administrative & marketing support services. These are provided in various European countries, as well as operational services to enable offices to be maintained in those European countries.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date and any exchange differences arising are taken to the profit and loss account

#### **Operating leases**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the relevant lease.

#### **Pension costs**

Contributions to the defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax in the income statement except as it relates to other comprehensive income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Deferred tax is recognised in respect of temporary differences arising between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Current and deferred tax balances are not discounted.

## Notes to the financial statements (continued)

For the year ended 30 September 2016

### Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

The cost of self-constructed assets includes the costs of materials and direct labour. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Computer equipment and software includes integrated computer hardware, purchased software and IT system infrastructures which consist of integrated, indissociable hardware and software.

Land is not depreciated. Depreciation on all other assets is charged to the income statement using the straight-line method so as to write off the cost to their residual values over their estimated useful lives on the following bases:

Leasehold improvements	-	40 years (or lease term if shorter)
Fixtures and equipment	-	3 to 10 years
Computer equipment and software	-	3 to 10 years

### Adoption of revised standards

Amendments made to the following accounting standards in the current financial year:

#### IAS 19 - Employee Benefits

Annual Improvements to IFRSs 2010-2012

Annual Improvements to IFRSs 2011-2013

The adoption of these standards has had no impact on these financial statements.

The following revisions to accounting standards and pronouncements which are applicable to the Company were issued as at 30 September 2016, but are effective for accounting periods beginning on or after 1 October 2016. The use of these standards that have yet to be endorsed by the European Union is not permitted. Where the standards listed below have been endorsed by the European Union and early adoption is permitted, the Company has elected not to apply them in the preparation of these financial statements.

Pronouncement	Nature of change	Latest effective date for the Company
Annual Improvements to IFRSs 2012-2014	The improvements relate to guidance and clarifications to IFRS 5, IFRS 7, IAS 19 and IAS 34.	1 October 2016
Amendments to IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets and IAS 41 Agriculture	The amendments clarify the acceptable methods of depreciation and amortisation and bring bearer plants into the scope of IAS 16.	1 October 2016
Disclosure Initiative (Amendments to IAS 1)	The disclosure initiative amendments seek to improve the presentation of clear and relevant financial statement disclosures, whilst continuing to present company specific information. This is to be achieved by providing specific guidance on aggregation and disaggregation of specific line items in the balance sheet, income statement and statement of other comprehensive income.	1 October 2016
Amendments to IFRS 2 Share-based Payment	The amendments clarify the classification and measurement of share-based payment transactions.	1 October 2018 Not yet endorsed
IFRS 15 – Revenue from Contracts with Customers	IFRS 15 sets out the requirements for recognising revenue that applies to all contracts with customers (except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments). The standard establishes a comprehensive framework for determining whether, how much and when revenue is recognised.	1 October 2018
Clarifications to IFRS 15	IFRS 15 replaces the previous revenue standards: IAS 18 <i>Revenue</i> and IAS 11 <i>Construction Contracts</i> , and the related Interpretations on revenue recognition: IFRIC 13 <i>Customer Loyalty Programmes</i> , IFRIC 15 <i>Agreements for the Construction of Real Estate</i> , IFRIC 18 <i>Transfers of Assets from Customers</i> and SIC-31 <i>Revenue – Barter Transactions Involving Advertising Services</i> .	

## Notes to the financial statements (continued)

For the year ended 30 September 2016

### 2. Directors' remuneration

The contracts of the directors are with Visa Europe Services LLC (the parent company). The Director's time spent specifically on this entity is not material, and as such no costs are separately disclosed for the remuneration of the directors (2015: €Nil).

### 3. Administrative expenses

Administrative expenses include:

	2016 €	2015 €
Employee benefit costs (note 4)	19,594,883	9,881,017
Depreciation on property, plant and equipment (note 10)		
- owned	415,441	-
- leased	-	-
Operating lease costs	1,106,592	523,432
Auditor's remuneration	23,200	16,888

The audit fee is borne by another group company. The audit fee payable to the company's auditors for the audit of these financial statements was €23,200 (2015: €16,888).

### 4. Employee information

Employee benefit costs were as follows:

	2016 €	2015 €
Wages, salaries & performance related pay	12,964,409	7,728,611
Social security costs	3,277,729	1,923,838
Share based payment	276,638	-
Other retirement benefit obligation costs	695,767	228,568
Transaction Bonus	2,380,340	-
	19,594,883	9,881,017

The average number of employees (excluding directors) during the period was:

	2016 Number	2015 Number
Sales and marketing	89	47
Business operations, core payments and digital	-	13
Other	15	1
	104	61

The pension contributions were made on behalf of all employees into a defined contribution scheme. There was no outstanding pension plan contribution at the yearend (2015: €Nil).

### Share-based payment arrangements

#### Description of Share-based payment arrangements

On 27 July 2016, senior employees of the Company were granted equity settled Restricted Stock Units (RSUs) under cliff vesting conditions by the ultimate parent company, Visa Inc. The vesting period for the Grant ends in 2018, upon which the restriction would be lifted and employees would be beneficial owners of the shares.

The expense recognised for the period totals:

#### Equity settled transactions

	2016 (€'000)	2015 (€'000)
Expense recognised during the period	277	-
<b>Total</b>	<b>277</b>	<b>-</b>

## Notes to the financial statements (continued)

For the year ended 30 September 2016

### 5. Income tax expense

The tax charge for the period comprises:

	2016 €	2015 €
<b>Current tax</b>		
Current tax on profit for the period	1,552,358	617,303
Adjustments in respect of prior years	27,492	14,570
<b>Total current income tax expense</b>	<b>1,579,850</b>	<b>631,873</b>

### Reconciliation of tax expense

The current income tax expense for the year is higher (2015: higher) than the standard rate of corporation tax in the UK of 20.0 per cent (2015: 20.5 per cent). The differences are explained below:

	2016 €	2015 €
Profit before tax	4,111,329	1,412,637
Taxation at the standard income tax rate of 20.0% (2015: 20.5%)	822,266	289,591
<i>Effects of:</i>		
Permanent differences	232,427	42,400
Prior year adjustment	27,492	14,570
Differing overseas tax rates	497,665	239,835
<b>Total current income tax expense</b>	<b>1,579,850</b>	<b>631,873</b>

### 6. Cash at bank

	2016 €	2015 €
Cash at bank	1,433,270	1,030,782

### 7. Trade receivables

	2016 €	2015 €
Amounts due from related parties	10,635,202	2,463,818
Other debtors	(43,711)	-
<b>Total</b>	<b>10,591,491</b>	<b>2,463,818</b>

### 8. Trade payables

	2016 €	2015 €
Accruals	7,247,571	2,366,723

### 9. Share Capital

	2016 €	2015 €
<b>Called up, allotted and fully paid</b>		
Ordinary shares of £1 each		
At 1 October	1	1
Issue of shares	-	-
<b>As at 30 September</b>	<b>1</b>	<b>1</b>

## Notes to the financial statements (continued)

For the year ended 30 September 2016

### 10. Fixed Assets

	Building Improvements	Fixtures and equipment	Computer equipment and software	Total
	€	€	€	€
<b>Cost</b>				
At 1 October 2014	-	-	-	-
Transfer from parent co.	181,992	71,505	7,915	261,412
Additions	274,232	180,290	56,957	511,479
Disposals	-	-	-	-
<b>At 1 October 2015</b>	<b>456,224</b>	<b>251,795</b>	<b>64,872</b>	<b>772,891</b>
Transfer from parent co.	-	33,980	19,736	53,716
Additions	88,583	262,509	47,047	398,139
Disposals	-	-	-	-
<b>At 30 September 2016</b>	<b>544,807</b>	<b>548,284</b>	<b>131,655</b>	<b>1,224,746</b>

	Building Improvements	Fixtures and equipment	Computer equipment and software	Total
	€	€	€	€
<b>Accumulated depreciation</b>				
At 1 October 2014	-	-	-	-
Transfer from parent co.	2,920	7,337	1,446	11,703
Charge for the year	28,042	65,778	25,200	119,020
Elimination on disposal	-	-	-	-
<b>At 1 October 2015</b>	<b>30,962</b>	<b>73,115</b>	<b>26,646</b>	<b>130,723</b>
Transfer from parent co.	-	6,796	3,947	10,743
Charge for the year	191,662	173,240	39,796	404,698
Elimination on disposal	-	-	-	-
<b>At 30 September 2016</b>	<b>222,624</b>	<b>253,151</b>	<b>70,389</b>	<b>546,164</b>
<b>Net book value at 1 October 2015</b>	<b>425,262</b>	<b>178,680</b>	<b>38,226</b>	<b>642,168</b>
<b>Net book value at 30 September 2016</b>	<b>322,183</b>	<b>295,133</b>	<b>61,266</b>	<b>678,582</b>

The fixed asset transfers in 2016 relate to assets in use in the German branch when it was added to Visa Europe Management Services Limited from its parent company at the beginning of the 2016 fiscal year.

In 2015, fixed assets were transferred from Visa Europe Service LLC, its parent company, to Visa Europe Management Services Limited under the terms of the asset purchase agreement between the two companies. These transfers relate to fixed assets acquired by the parent company after the formation of Visa Europe Management Services Limited.

### 11. Company's reserves

	Share Capital	Retained Earnings	Total
	€	€	€
At 30 September 2015	1	1,468,420	1,468,421
Equity settled share based payment transactions	-	276,638	276,638
Profit for the period	-	2,531,479	2,531,479
<b>At 30 September 2016</b>	<b>1</b>	<b>4,276,537</b>	<b>4,276,538</b>

**Notes to the financial statements (continued)**  
For the year ended 30 September 2016

**12. Commitments under operating leases**

Annual payments under operating leases are as follows:

	2016 €	2015 €
Within one year	1,358,618	669,183
In the second to fifth years inclusive	3,275,180	1,511,451
After five years	-	-
	<b>4,633,798</b>	<b>2,180,634</b>

**13. Post balance sheet event**

In February 2017 the company's parent, Visa Europe Services Inc. underwent a reorganisation which resulted in its conversion from a Delaware Corporation to a Delaware Limited Liability Company. Accordingly, from 17 February 2017, the parent company was renamed Visa Europe Services LLC.

**14. Related party transactions**

The Company earns an intercompany fee through the provision of various services for Visa Europe Services LLC (formerly Visa Europe Services Inc.), the company's parent company. The services include the provision of administrative and marketing support services to its immediate parent company. The total intercompany revenue fee for the year was € 38,374,000 (2015: €13,185,000).

At 30 September 2016, debtors and creditors falling due within one year include the following amounts due from Visa Europe Services LLC, the company's parent company:

	2016 €	2015 €
Visa Europe Services LLC	10,635,202	2,463,818
	<b>10,635,202</b>	<b>2,463,818</b>

**15 Ultimate parent company**

The Company is a wholly owned subsidiary of Visa Europe Services LLC (formerly Visa Europe Services Inc.) a limited company incorporated in the United States of America. The smallest group in which the results of the company are consolidated is that headed by Visa Europe Limited, a company incorporated in the United Kingdom which transitioned from a membership association to a for profit organisation following the acquisition of the group by Visa Inc. on 21 June 2016. The consolidated accounts of the group for the period ending 30 September 2016 are available to the public by writing to:

Companies House  
Crown Way  
Maindy  
Cardiff  
CF14 3UZ  
United Kingdom

The results of the group are also consolidated into Visa Inc., United States of America: the ultimate parent company.