TTT Moneycorp Limited

Annual report and financial statements for the year ended 31 December 2016

Registered number: 00738837

TTT Moneycorp Limited

Company information

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Company Registration Number
00738837

Date of Incorporation
25 October 1962

Registered Office
Zig Zag Building (5th Floor)
70 Victoria Street
London
SW1E 6SQ

Directors
S Green
N Haslehurst
M Horgan
P Lever
R Moores

TTT Moneycorp Limited

Contents

The Directors present their strategic report for TTT Moneycorp Limited (the Company) and its subsidiaries (the Group) for the year ended 31 December 2016. The Group financial statements comprise the consolidated financial statements of the Company, including its subsidiaries and associated undertakings as defined by International Financial Reporting Standards as adopted by the European Union (EU IFRS). The Company is domiciled in the United Kingdom and incorporated in England.

Principal activities and overview

Moneycorp is one of the UK's leading independent international payment and foreign exchange business. Over the past 25 years, it has built a technology lead in Corporate and Private client International Payments and Foreign Exchange business, serving the needs of clients in a variety of channels ensuring they have access to foreign exchange and the ability to use this efficiently. The Group's mission is working together to become the favourite international payments and foreign exchange provider. The vision of the group is to be first choice for international payments and foreign exchange.

The Group's business operates across the entire value chain of the retail foreign exchange industry, its offices and employees whilst centered in the UK now span 6 countries.

The Group has built a payments platform that processes and delivers a range of foreign currency exchange solutions and international payments for a range of corporates from mid-caps to SME's, banks, central banks and private clients. The group's technology which has been the centre of investment in recent years, operates in multiple countries, under the Moneycorp brand and white label/co- brands.

The Group's strategy is to grow its business primarily by capitalising on the strength of its technology, high quality service and its cost efficient model. It aims to grow market share in existing markets by increasing its product awareness and developing further product enhancements. In addition the business will continue to enter more countries, to extend its distribution network more widely, to launch more innovative products, and to improve the efficiency of its operating cost base. The Group also seeks to maintain the highest standards of compliance as a strategic priority, thereby reinforcing the trust its customers, partners, wholesalers and regulators place in its brand.

The Group has invested in a series of initiatives around international expansion and product development. In 2016 the Group introduced corporate services in Spain and Romania.

The introduction of new products and technologies has buoyed the business' performance, with the launch of the new moneycorp app for Apple and Android and investment in a complementary offshore technology hub in India. Alongside this, the Group has introduced a range of new products and payment facilities, including a new bulk payment capability which has proved popular with corporate clients.

Key Strengths

Compliance at the heart of the group's operations in all jurisdictions

Compliance and risk management are at the heart of the group's business and the business understands these remain critical to long-term sustainable returns. The group seeks to maintain the highest standards of compliance as a strategic priority, proactively engaging with regulators in all its jurisdictions in which it operates and thereby reinforcing the trust from its customers, partners and brand. The Group takes the trust it has earned very seriously and will continue to invest in both people and technology to enhance its compliance capabilities.

Technology focused, scalable offering

The Group has developed a leading payments platform that can serve the needs of both corporate and private customers in delivering fast and cost efficient international payments and foreign exchange solutions. This scalable technology has successfully been rolled out in other European jurisdictions and underpins the organic international expansion of the group in the future.

Market opportunity

A continued growth in international travel, the globalisation of business and the increasing trend of migration have all driven an increased demand for both international payments and foreign exchange around the world. This coupled with poor service levels and high costs charged to the consumer primarily by banks in the developed world presents the group with a huge opportunity globally to bring its low cost and high quality service model to the market to serve the growing needs of both corporate and private consumers.

Performance measurement

Throughout the financial statements EBITDA is defined as earnings before finance costs, tax, depreciation, amortisation and significant one off items.

The Group's most significant Key Performance Indicators (KPIs) are measured across the 5 main business units (see below) as follows:

- Revenue growth
- Customer acquisition and retention
- EBITDA growth

Each business unit has a management team responsible for the operations of the business division and they use a number of financial and non-financial KPIs in order to manage and develop the business to achieve the Group's strategic objectives. These are discussed in the operating reviews of each business below.

Operating review

Group Revenue and Group EBITDA are financial performance indicators that management uses internally to assess performance. They are presented here to provide greater understanding of the underlying business performance of the Group's operations.

The management accounts that are used internally are based on UK GAAP whereas the statutory results are reported under IFRS which results in differences in the revenue recognised in respect of forward and option derivative contracts. All other measurement policies used in preparing the management results are consistent with those used in preparing the statutory financial statements.

TTT Moneycorp Limited
Strategic report
For the year ended 31 December 2016

Group Revenue and Group EBITDA within the five main business segments are summarised in the following table. A reconciliation to statutory reported results is also shown.

£m	2016	2015	Growth
Group revenue			
Corporate	22.1	19.7	12%
Private	28.5	28.3	1%
Wholesale	9.9	10.9	(9%)
Retail	70.0	63.1	11%
Total Group revenue	**130.5**	**122.0**	**7%**
£m			
Group EBITDA			
Corporate	13.8	10.2	36%
Private	9.7	10.5	(8%)
Wholesale	4.0	4.9	(18%)
Retail	6.9	5.1	35%
Central & Shared costs	(13.4)	(13.4)	0%
Total Group EBITDA	**21.0**	**17.3**	**21%**

Reconciliation of Group results to statutory reported results for the year:

£m	Revenue 2016	EBITDA 2016	Revenue 2015	EBITDA 2015
Total Group	130.5	21.0	122.0	17.3
Heathrow revenue	-	-	10.5	-
Adjustment under IFRS	2.1	-	0.5	-
Statutory reported results- continuing	132.6	21.0	133.0	17.3

Revenue

Group Revenue increased by £8.5m (7%) (2015: £17.1m (16%) to £130.5m (2015: £122.0m) with growth reported across all segments, except Wholesale. £2.5m (2015: £5.3m) of this increase is attributable corporate business, £0.2m (2015: £4.7m) to the private client division and £6.9m (2015: £2.6m) to retail. Wholesale revenue decreased by £1m (2015: £4.5m increase).

EBITDA

Group EBITDA increased by £3.7m (2015: £3.1m) to £21m (2015: £17.3m),

The results of the core operating businesses are detailed below:

Corporate

The corporate division grew revenue by 12% (2015: 37%) adding £2.5m (2015: £5.3m). This business is centered on SME importers and exporters in the UK and Ireland providing a range of products including payments, spot trades, hedging and derivative solutions for these customers.

The business unit is focused on retaining and winning customers through superior product offerings, technology, service and pricing solutions.

During the year the business unit reported new customer growth of 10% (2015: 10%) and customer retention of 93% (2015: 99%), transactions grew by 12% (2015: 18%) and revenue per deal by 22% (2015: 9%). The corporate business saw an increase in trading activity immediately after the result of the EU referendum in June as a result of volatility in the value of sterling.

Investment in the year was focused around enhancements in product offerings to allow faster and more sophisticated reconciliation and trading, an upgrade to the businesses CRM system with increased functionality and improvements to payments technology.

Private

During the year the private client division delivered revenue growth of 1% (2015: 20%) and £0.2m (2015: £4.7m).

The business unit saw a fall in active customer growth of 2% (2015: 13%), but saw revenue per deal grow by 5% (2015: 10%) against the backdrop of Brexit uncertainty which has impacted appetite for international house purchases.

In March the group launched the Moneycorp brand across the United States of America offering international payments to private customers.

During the year the prepaid card business saw increased load and reload volumes following its integration into customers online currency accounts.

Wholesale

The wholesale division revenue fell by 9% (2015: 70% increase). This business primarily serves developing countries that generated income through exporting commodities such as Oil, headwinds in these markets have generated a slow-down in demand for currency. New customer acquisition in this market continues to progress well.

Retail

The retail division operating 39 Bureaus (2015: 42) and 128 ATMs (2015: 115) at the end of 2016 generated a 11% (2015: 4%) growth in revenue resulting from an increase in passenger numbers at UK airports and the continued appeal of its "Reserve and Collect" and ATM offerings.

Customer transactions continue to shift from face to face to ATM and from Cash to Cash/Card and the business unit continues to refine its proposition to meet these needs. During the year reserve and collect transactions (the ability of consumers to book online and pick up at the store), grew 12% (2015: 56%) whilst foreign currency dispensed from an ATM grew 26% (2015: 22%).

Central & Shared costs

Central & Shared Costs include finance, legal, compliance, human resources, treasury, back office operations, technology, as well as bonus costs for the Group.

The Group has continued its investment in technology in 2016, including the investment in an off shore IT development team to support the delivery of new products and enhance capability for future growth initiatives. The group has also invested significantly in Risk and Compliance to keep pace with the company's growth and ensure we maintain appropriate resources to support the growth in customer numbers.

During 2016 certain support functions were outsourced in order to improve operating efficiency as we scale the international payments business in the UK and abroad.

Profit for the year

The Group reported a statutory profit for the year of £17.4m (2015: £11.7m).

An explanation of the items contributing to the statutory profit is detailed below.

Depreciation and amortisation

The Group charged £1.4m of amortisation of intangibles in the year (2015 (restated): £0.5m). The depreciation charge for the year was £2.9m (2015 (restated): £3.0m).

One off items

The Group has reported one off operating costs of £1.7m (2015: £1.8m operating income). The key items making up these balances are as follows:

Property costs – in 2016 the Group consolidated its offices and moved its headquarters to Victoria. The cost of this relocation was £0.7m.

Employee compensation and outsourcing costs– Costs of £0.5m were paid during the year.

Taxation

The tax credit for the continuing business was £0.1m (2015: £0.3m charge). This includes prior year tax adjustments of £(0.1m) (2015: £(1.0m)) principally from temporary differences reflecting the reduced likelihood of utilisation within an acceptable time period. Cash corporation tax paid was £0.6m (2015: £0.2m). For further details of the tax (credit)/ charge see Note 11.

Outlook

Moneycorp has made a strong start to 2017 and is well progressed in a number of strategic plans that will see it deliver increased growth in 2017.

The Private business has been rolled out in Australia as the group continue to expand internationally.

The Group continues to work on international acquisition opportunities as it looks to accelerate its growth plan. The Group has a clear strategy to grow internationally through both organic growth and through acquisitions, developing primarily the international payments business and building on scale advantages that its technology platform provides.

Moneycorp is closely monitoring the implications of Brexit on its business and in particular the groups ability to passport its licences across Europe. The group is well progressed in contingency planning in the event that passporting rights are removed once the United Kingdom has left the European Union and is evaluating the possible countries where MIFID and Payment Services Licences can be obtained given its presence in a number of European countries.

Going Concern

The Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis and this is the basis which has been applied. The assessment of going concern has been undertaken by considering the risk factors below as well as the factors detailed in the significant estimates and judgements section of the accounting policies note (see Note 4).

Risk management

The Group's risk management framework is designed to ensure that material business risks throughout the organisation are identified and effectively managed. The Group operates a risk management model with three lines of defence and responsibility for risk management resides at all levels, from the Board and the executive committee down through the organization. These responsibilities are distributed so that risk/return decisions are taken at the most appropriate level, as close as possible to the business, and remain subject to effective review and challenge. The responsibilities for effective review and challenges reside with senior managers, audit committee, internal audit, the independent risk function and the Group risk committee and ultimately the Board.

Moneycorp has identified the following key areas of risk:

Operational risk

Operational risk exposures are identified, managed and controlled by management at all levels of the organization. Internal controls include the organizational structures and delegation of authority within the group. This is designed to manage, rather than eliminate, the risk to the achievement of business objectives. The Group's operational budgets include appropriate investment levels to ensure that critical systems and processes are maintained, that customer data is protected and staff are properly trained and developed.

Currency risk

The group has overseas operations in the US, Ireland, France and Spain, Romania and Brazil. As a result it is subject to foreign exchange exposures arising from the translation of the results and underlying net assets of its overseas subsidiaries into sterling. The group maintains bank balances and currency stocks in a number of currencies and invoices and receives payments in these currencies.

Liquidity risk

The settlement of spot and forward contracts and other short term working capital requirements requires adequate liquidity which is generated through intra-day settlement facilities. These facilities are provided by a range of financial institutions with which the group has a long trading history. The group manages this risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Financing assumptions and leverage

During 2014 the Group entered into a £95m senior credit facility and took on £111m of shareholder loan note debt that is repayable in 2024. The Directors consider that this in combination with other credit facilities and cash at bank provide sufficient liquidity to meet the Group's funding requirements for the foreseeable future. Covenants are in place in relation to the senior credit facility which are tested on a quarterly basis with regular long term forecasts prepared and reviewed in order to ensure continued compliance with the banking covenants.

Credit risk

Credit risk arises from the possibility that the group will incur financial loss from the failure of a customer or counterparty to meet its obligations under a contract. The group does not generally provide credit to its customers but credit exposures can arise, normally for a short period of time, as the group depends on its customers to pay for monies and services provided and to perform on foreign exchange contracts. All material credit exposures require approval from the group credit committee which is made up of individuals who are independent from the revenue generation functions of the business. Credit exposures are monitored daily against approved risk tolerance limits and client margins are called for where deemed appropriate.

The Group has £8.0m of receivables that has potential exposure as credit losses. However, in the year the loss was minimal (£0.5m) because the Group policies require new customers to be reviewed for creditworthiness before standard payment and delivery terms and conditions are entered into. Individual credit terms are set and monitored regularly, payments are made in advance for large shipping orders.

Physical risk

Physical risk arises from the Group's exposure to theft and misappropriation or damage to its physical assets, principally cash in tills, ATMs and wholesale bank notes in transit. The Group employs a physical risk audit team which develops appropriate policies and procedures to mitigate this risk and oversees the compliance with the policies. These arrangements are reviewed by third parties on a periodic basis. The Group also maintains appropriate levels of insurance to limit its exposure.

Regulation and compliance risk

Regulatory and compliance policy is led centrally by the Group Compliance and Risk Manager and there is a dedicated team in the business to ensure compliance with Anti Money Laundering (AML), sanctions and other legal, regulatory and licensing requirements including compliance with all FCA requirements. The Group's legal team, in conjunction with external legal advisers, advises on the regulatory environment in which the Group operates and provides advice on any measures required to maintain operating licenses as appropriate.

Litigation

The Group is not involved in any legal proceedings and commercial disputes.

On behalf of the Board

N Haslehurst
Director
5 July 2017

TTT Moneycorp Limited
Directors' report
For the year ended 31 December 2016

The Directors present their report and the audited consolidated financial statements of TTT Moneycorp Limited (the Company) and its subsidiaries (the Group) for the year ended 31 December 2016. The Group financial statements comprise the consolidated financial statements of the Company, including its subsidiaries and associated undertakings as defined by International Financial Reporting Standards as adopted by the European Union (EU IFRS).

Controlling interest

The ultimate holding Company is Moneta Topco Limited a company incorporated and registered in Jersey, Channel Islands. The ultimate controllers of Moneta Topco Limited are Bridgepoint Europe IV (Nominees) Limited.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Representatives of Bridgepoint Europe IV (Nominees) Limited.	S Green	Chairman
Executive Director	N Haslehurst	Chief Financial and Operating Officer
Executive Director	M Horgan	Chief Executive
Non-Executive Director	P Lever	
Non-Executive Director	R Moores	

No interim dividends were declared during the current or prior year and the Directors do not recommend the payment of a final dividend (2015: £nil).

Outlook

The outlook for the Group is discussed in the Strategic Report.

Employee engagement

The Group is committed to employee involvement as it believes that its business objectives are best achieved if the Group's employees understand and support the Group strategy. The Group's values of accountability, collaboration, determination, integrity and recognition are embedded through the Group's performance framework.

Equal opportunities

The Group's policy is not to discriminate against anyone, on any grounds. Training is available and provided to all levels of staff, and investment in employee development is a priority. The Group is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of age, sex or sexual orientation, race, colour, disability or marital or civil partnership status. The Group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Group. If members of staff become disabled the Group continues employment, either in the same or alternative position, with appropriate retraining being given if necessary.

Going concern assessment

The Directors assess the Group's going concern for a period of at least 12 months from the balance sheet date and take into account the facts and circumstances during that period. In making this assessment the Directors consider:

- Whether there is sufficient liquidity and financing to support the business, its corporate transactions and future trading;
- Whether post balance sheet trading is in line with expectations;
- If the Group would be able to trade after the impact of a reasonable downside scenario on performance and covenants;
- The adequacy of insurance cover;
- Continued parental support, including through shareholder loans;
- Continued availability of financing facilities and trading lines;
- *Complying with covenant requirements of financing and facilities*
- The regulatory environment in which the Group operates; and
- The effectiveness of risk management policies, in particular, business continuity, compliance, regulatory and counterparty risks.

After making enquiries and considering a range of scenarios, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has therefore prepared these financial statements on a going concern basis.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable laws and regulations.
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union 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;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.
The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

TTT Moneycorp Limited
Directors' report
For the year ended 31 December 2016

Disclosure of information to independent auditors

In accordance with Section 418 of the Companies Act 2006, each Director in office at the date of approval of this report has confirmed that:

(a) As far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) They have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors PriceWaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they will be reappointed will be proposed at the next meeting of the board of directors.

On behalf of the Board

N Haslehurst
Director
5 July 2017

Report on the financial statements

Our opinion

In our opinion:

- TTT Moneycorp Limited 's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2016 and of the group's profit and the group's and the company's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union;
- the company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the cash flow statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law and, as regards the company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group, the company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or

- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 13, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

James Hewer

James Hewer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 July 2017

TTT Moneycorp Limited
Consolidated income statement
For the year ended 31 December 2016

Continuing operations:	Note	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000 Restated
Income	5	132,558	132,957
Administrative expenses	6	(115,237)	(120,381)
Operating profit	6	17,321	12,576
Finance income	9	155	142
Finance costs	10	(221)	(734)
Profit before tax		17,255	11,984
Tax	11	113	(319)
Profit for the year attributable to the owners of the Company		17,368	11,665

TTT Moneycorp Limited
Consolidated statement of comprehensive income
For the year ended 31 December 2016

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Profit for the year	17,368	11,665
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	-	-
Total Other Comprehensive income for the year net of tax	-	-
Total Comprehensive income for the year attributable to owners of the Company.	17,368	11,665

TTT Moneycorp Limited
Consolidated balance sheet
As at 31 December 2016

	Note	31 December 2016 £000	31 December 2015 £000 Restated
Non-current assets			
Goodwill and other intangible assets	12	5,005	4,122
Property, plant and equipment	13	6,978	6,696
Deferred tax assets	18	709	714
		12,692	11,532
Current assets			
Inventories	15	330	110
Trade and other receivables	16	38,362	47,191
Cash and bank balances	25	275,488	173,914
Current tax assets		-	-
Derivative financial instruments	17	95,706	39,502
		409,886	260,717
Total assets		422,578	272,249
Current liabilities			
Trade and other payables	20	(266,571)	(192,703)
Current tax liabilities		(240)	(942)
Borrowings	27	(10,143)	(4,319)
Obligations under finance leases	19	(163)	(210)
Derivative financial instruments	17	(83,405)	(28,680)
		(360,522)	(226,853)
Net current assets		49,363	33,863
Non-current liabilities			
Borrowings	27	(1,055)	(1,642)
Deferred tax liabilities	18	-	-
Obligations under finance leases	19	(90)	(210)
		(1,145)	(1,852)
Total liabilities		(361,667)	(234,584)
Net assets		60,911	43,543

TTT Moneycorp Limited
Consolidated balance sheet (continued)
As at 31 December 2016

	Note	31 December 2016 £000	31 December 2015 £000
Equity			
Share capital	22	350	350
Translation reserves	23	63	63
Retained earnings	24	60,498	43,130
Total equity		60,911	43,543

The financial statements on pages 16 to 65 were approved by the Board of Directors on 5 July 2017 and signed on its behalf by:

N Haslehurst

Director

TTT Moneycorp Limited
Consolidated statement of changes in equity
For the year ended 31 December 2016

	Share Capital £000	Translation reserve £000	Retained Earnings £000	Total Equity £000
Balance at 1 January 2015	350	63	31,465	31,878
Profit for the year	-	-	11,665	11,665
Other comprehensive income for the year	-	-	-	
Balance at 31 December 2015 and at 1 January 2016	350	63	43,130	43,543
Profit for the year			17,368	17,368
Balance at 31 December 2016	350	63	60,498	60,911

TTT Moneycorp Limited
Consolidated cash flow statement
For the year ended 31 December 2016

	Note	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Net cash generated from operating activities	25	101,839	67,111
Investing activities			
Proceeds on disposal of property, plant and equipment		-	150
Purchases of property, plant and equipment		(3,018)	(1,713)
Purchases of computer software		(2,173)	(2,364)
Other receivable		-	(207)
Net cash generated from investing activities		(5,191)	(4,134)
Financing activities			
Increase in borrowings		10,143	-
Repayments of borrowings		(4,984)	-
Repayments of obligations under finance leases		(233)	(103)
Net balances acquired with subsidiary undertaking			-
Net cash generated from/ used in financing activities		4,926	(103)
Net increase in cash and cash equivalents		101,574	62,874
Cash and cash equivalents at beginning of year		173,914	111,040
Cash and cash equivalents at end of year		275,488	173,914

1. General information

TTT Moneycorp Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the company information page 2. The nature of the group's operations and its principal activities are set out in note 14 and in the strategic report on pages 4 to 11.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group operates. Foreign operations are included in accordance with the policies set out in note 3.

2. New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IAS 7	*Disclosure Initiative - Amendments to IAS 7*
IAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses - Amendments to IAS 12*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 9	*Financial Instruments*
IFRS 2	*Classification and Measurement of Share-based Payment Transactions - Amendments to IFRS 2*
	Transfers of Investment Property (Amendments to IAS 40)
IFRIC Interpretation 22	Foreign Currency Transactions and Advance Consideration
IFRS 16	Leases
Annual improvements to IFRSs: 2012 – 2014	Amendment to: IAS 28 Investments in Associates and Joint Ventures, IFRS 12 Disclosure of Interests in Other Entities

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except for the version of IFRS 9 issued in 2014, mandatorily effective for periods starting on or after 1 January 2018, may impact the disclosures of financial instruments.

3. Significant accounting policies

Basis of accounting

During 2015, the Group converted its financial statements from UK GAAP to International Financial Reporting Standards (IFRSs) adopted by the European Union and interpretations issued by the IFRS Interpretaions Committee (IFRS IC).

The principles and requirements for first time adoption of IFRS are set out in IFRS 1, 'First-time adoption of IFRS' ("IFRS1"). An explanation of how the transition to IFRS has affected the reported consolidated financial statements is provided in Note 31.

The financial statements have been prepared on the historical cost basis, except for the revaluation of some financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

3. Significant accounting policies (continued)

Basis of accounting (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, financial instruments are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transitions between the members of the Group are eliminated on consolidation.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or

3. Significant accounting policies (continued)

Basis of consolidation (continued)

transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the costs on initial recognition of an investment in an associate or jointly controlled entity.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes an asset or liability resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units considered as International Payments and Retail (Note 12). Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

3. Significant accounting policies (continued)

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Other intangible assets

Subsequent to initial recognition the Group adopts the cost model as its accounting policy which requires intangible assets to be carried at cost less accumulated amortisation and impairment losses.

Computer software costs capitalised as part of business combinations are amortised on a straight line basis over 4 years.

Property, plant and equipment

Leasehold properties and improvements are stated at cost less accumulated depreciation and any recognised impairment loss. Other tangible fixed assets are carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost or valuation less their residual values over their useful lives, using the straight-line method, on the following bases:

Motor vehicles	25%
Fixtures and fittings	15%
Computer equipment	25%

Leasehold properties are depreciated over the period of the leases and improvements to leasehold properties over the expected life of those improvements, or period of leases, whichever is shorter.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Impairment of property, plant and equipment

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. Significant accounting policies (continued)

Inventories

Inventories include maps, phones cards and train tickets, which are stated at the lower of cost and net realisable value. Cost comprises those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pounds Sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

Financial instruments

Financial instruments are classified as financial assets, financial liabilities or equity instruments, and are initially recognised when the Group becomes party to the contractual provisions of the instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. To the extent that this definition is not met, the proceeds of the issue are classified as a financial liability.

Financial assets

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Equity instruments

Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Borrowings are initially measured at fair value less attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

3. Significant accounting policies (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments for trading purposes acting as a broker in the provision of foreign exchange option, spot and forward contracts to businesses and individuals.

A smaller amount of derivative financial instruments are entered to manage exposure to foreign exchange rate risk namely foreign exchange forward contracts. Further details of derivative financial instruments are disclosed in note 27.

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 profit or loss.

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.

Income recognition

Income is the net value of currencies bought and sold, net income from derivatives as well as other sales.

Retail income comprises the value of currencies traded as a result of the Group's operation of bureaux de change. It also includes transactions involving money transfers, banker's drafts, credit cards, sales of travellers' cheques and encashment of personal cheques. Income is recognised when the transaction is made.

The Wholesale business provides money services by supplying foreign currency notes to individuals and businesses. Income is recognised on the trade date of the currency order.

Income from the Commercial Foreign Exchange business consists of the value of currencies sold in spot and forward currency deals and options. Income is recognised at trade date.

For online trading, income comprises income earned on online trading services, which is recognised when the transaction is made. Agency commissions and fees received on other items are also recognised in the year when the transaction is made.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3. Significant accounting policies (continued)

Finance leases

Assets held under finance leases are recognised as assets of the group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Pensions Defined contribution scheme

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge disclosed in note 21 includes contribution payable by the Company to the fund.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except

3. Significant accounting policies (continued)

when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Provisions

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the business. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Where possible outflows from the business are considered improbable, that is considered a contingent liability and no liability is recognised.

Trade receivables

Trade debtors are recognised at original invoice value being the best estimate of fair value, less provisions made for impairment. A provision for impairment of trade debtors is established when there is objective evidence that amounts due will not be able to be collected according to the original terms.

The amount of the provision is recognised in the profit or loss account by reference to the expected future cash flows. When the trade debtor is deemed uncollectable, it is written off against the provision for trade debtors.

Trade payables

Trade creditors are recognised at original invoice value being the best estimate of fair value.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is contained in the Directors' Report on pages 12 to 13.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Taxation

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest budget forecasts, which are adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit, and expectations regarding future financing costs. The tax rules in the numerous jurisdictions in which the Group operate are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. See note 11.

Deferred taxation

Deferred taxation assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income.

The Directors have made an assessment of how much is expected to be utilised against future taxable income based on future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use and the fair value less cost of the cash-generating units to which goodwill has been allocated. These calculations require the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

Useful lives of property, plant and equipment

As described above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Fair value measurements and valuation processes

Derivative financial assets and liabilities are measured at fair value for financial reporting purposes.
In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available (Level 1). Foreign currency forwards and options are considered to be Level 2 as the fair value measurements are derived from inputs other than quoted prices that are directly or indirectly observable.
Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 27.

The fair value of derivative financial assets and liabilities are stated after adjustments to reflect counterparty credit risk.

Derivative financial assets arise where client positions are out of the money. These receivable balances have a credit valuation adjustment (CVA) applied. This is calculated based on an internal assessment of the client credit risk, with the receivable amounts being discounted using a rate that reflects the risk of default.

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

Derivative financial liabilities arise where client positions are in the money. These payable balances have a debit valuation adjustment (DVA) applied. This adjustment reflects the risk of the Group defaulting on the balance payable to the client and is calculated using an estimate of the Group's borrowing costs.

5. Income

Income comprises the gross value of traded currencies, foreign currency options and other sales, less the gross value of traded currencies and other made in the United Kingdom.

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000 Restated
Gross value of traded currencies, foreign currency options and other sales	27,006,826	34,746,083
Gross value of traded currencies and other purchases	(26,874,268)	(34,613,126)
	132,558	132,957

6. Operating profit

Operating profit for the year has been arrived at after charging/(crediting):

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000 Restated
Operating lease rentals	46,657	51,130
Amortisation of intangible assets	1,411	470
Depreciation of property, plant and equipment	2,887	3,000
Gain on disposal of property, plant and equipment	-	(2,362)
Staff costs (see note 8)	32,978	33,356
Impairment loss recognised on trade receivables	349	349

7. Auditors' remuneration

The analysis of the auditors' remuneration included within administrative expenses is as follows:

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Fees payable to the company's auditors and their associates for the audit of the company's annual financial statements	218	170
Fees payable to the company's auditors and their associates for other services to the group		
–The audit of the company's subsidiaries	-	5
Total audit fees	218	175

8. Staff costs

The average monthly number of employees (including executive directors) was:	2016 Number	2015 Number
Management and administration	143	112
Operations	645	687
	788	799

Their aggregate remuneration comprised:	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Wages and salaries	29,228	29,427
Social security costs	3,020	3,173
Other pension costs (see note 21)	730	756
	32,978	33,356

9. Finance income

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Bank interest	155	142
	155	142

10. Finance costs

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Bank interest	142	164
Loan from parent entity	79	570
	221	734

11. Tax

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Corporation tax:		
Current year	618	1,261
Adjustments in respect of prior years	(736)	40
	(118)	1,301
Deferred tax (see note 18)		
Current year	(107)	(50)
Adjustments in respect of prior years	(47)	(932)
Effect of change in tax rate	159	-
Total tax (credit)/charge for the year	(113)	319

Corporation tax is calculated at 20% per cent (2015: 20.25%per cent) of the estimated taxable loss for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The total tax credit for the year can be reconciled to the loss in the income statement as follows:

11. Tax (continued)

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Profit before tax	17,255	11,984
Tax at the UK corporation tax rate of 20% (2015: 20.25 %)	3,451	2,427
Tax effect of expenses that are not deductible	(512)	841
Tax losses where no deferred tax is recognised	15	14
Prior year adjustments	(807)	(963)
Group relief received	(2,303)	(2,111)
Effect of change in corporation tax rate	159	70
Effect of different tax rates of subsidiaries operating in other jurisdictions	(116)	41
Total tax (credit)/charge for the year	(113)	319

The Finance Act 2015 which was substantively enacted on 26 October 2015 included legislation to reduce the corporation tax rate applicable from 1 April 2017 to 19% and from 1 April 2020 to 18%.

On 16 March 2016, the Government announced that the corporation tax rate applicable from 1 April 2020 would be 17%. The proposed reductions in the rate of corporation tax have been enacted, and the impact has been accounted for, in 2016.

12. Goodwill and other intangible assets

Cost	Goodwill £000	Internally developed software £000 Restated	Total £000
At 1 January 2015	877	1,386	2,263
Additions	-	2,364	2,364
At 31 December 2015 and 1 January 2016	877	3,750	4,627
Additions	-	2,294	2,294
At 31 December 2016	877	6,044	6,921
Accumulated amortisation and impairment			
At 1 January 2015	-	35	35
Additions	-	470	470
At 31 December 2015 and 1 January 2016	-	505	505
Charge for the year	-	1,411	1,411
At 31 December 2016	-	1,916	1,916
Carrying amount			
At 31 December 2016	877	4,128	5,005
At 31 December 2015	877	3,245	4,122

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The Group has 2 CGUs, international payments and retail. However, for the acquisition of Moneycorp CFX in November 2012 the goodwill was allocated to international payments only as no retail business was acquired. Before recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

	31 December 2016 £000	31 December 2015 £000
International payments	877	877
	877	877

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts for each cash generating unit (CGU) identified above were determined based on the higher of 'fair value less costs to sell' and 'value in use' estimations.

The value in use estimations cover a three year forecast period based on the group's current long term financial projections approved by management for the next five years. The growth rates and discount rates applied reflect current market assessments of the time value of money and the risks specific to the CGUs.

12. Goodwill and other intangible assets (continued)

Key assumptions are based on the EBITDA of each CGU which have been determined based on a combination of past experience of the markets in which the group operates and the expected growth in the forecast period.

The fair value less cost to sell calculation has been based on the forecast EBITDA for 2017 with a multiple applied to each CGU which reflects the market in which the CGU operates and the product offerings. Costs to sell are calculated at 2% of the fair value of each CGU. A discount rate of 15% has been applied.

Other than the points referred to above there are no other key assumptions used in the calculation of goodwill impairment.

13. Property, plant and equipment

	Leasehold Properties £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000 Restated	Finance leases £000	Total £000
Cost						
At 1 January 2015	1,185	72	9,701	7,319	823	19,100
Additions	-	-	1,003	1,713	117	2,833
Disposal	-	(26)	(3,123)	(403)	-	(3,552)
At 31 December 2015 and 1 January 2016	1,185	46	7,581	8,629	940	18,381
Additions	-	-	2,315	789	71	3,175
Disposals	-	(26)	-	-	-	(26)
At 31 December 2016	1,185	20	9,896	9,418	1,011	21,530
Accumulated depreciation and impairment						
At 1 January 2015	1,008	26	4,430	4,182	229	9,875
Charge for the year	6	25	1,181	1,565	223	3,000
Disposals	-	(18)	(995)	(177)	-	(1,190)
At 31 December 2015 and 1 January 2016	1,014	33	4,616	5,570	452	11,685
Charge for the year	6	6	1,068	1,567	240	2,887
Disposals	-	(20)	-	-	-	(20)
At 31 December 2016	1,020	19	5,684	7,137	692	14,552
Carrying amount						
At 31 December 2016	165	1	4,212	2,281	319	6,978
At 31 December 2015	171	13	2,965	3,059	488	6,696

The finance leases relate to ATM machines which had a net book value of £319k (2015: £488k).

14. Subsidiaries

The group consists of a parent company, TTT Moneycorp Limited, incorporated in the United Kingdom and a number of subsidiaries held directly and indirectly by TTT Moneycorp Limited, which operate and are incorporated in various locations globally. Note 4 to the company's separate financial statements lists details of all subsidiaries.

Information about the composition of the Group at the end of the reporting year is as follows:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		31/12/16	31/12/15
Introducing broker	Spain, USA, Australia	3	3
Foreign exchange provider	France	-	1
Investment holding	Brazil	1	1
Dormant	UK, France	2	1

There are no significant restrictions on the ability of the group to access or use assets and settle liabilities.

15. Inventories

	31 December 2016 £000	31 December 2015 £000
Maps, phone card and train tickets	330	110
	330	110

£2.3 million (2015: £2.6 million) of inventories were expensed during the year. These were included within the cost of sales.

16. Trade and other receivables

	31 December 2016 £000	31 December 2015 £000
Trade receivables	10,440	25,362
Allowance for doubtful debts	(558)	(394)
	9,882	24,968
Amounts owed by Parent undertakings	8,176	16,981
Amounts owed by Group undertakings	718	193
Other debtors	16,544	840
Corporation tax	-	-
Prepayments	3,042	4,208
	38,362	47,191

Trade receivables disclosed above are classified as loans and receivables and are therefore recognised at fair value and then measured at amortised cost.

17. Derivative financial instruments

	Current	
	31 December 2016 £000	31 December 2015 £000 Restated
Derivative assets:		
Foreign currency forward contracts	85,612	31,846
Foreign currency options contracts	10,094	7,656
	95,706	39,502

	Current	
	31 December 2016 £000	31 December 2015 £000 Restated
Derivative liabilities:		
Foreign currency forward contracts	73,627	21,271
Foreign currency options contracts	9,778	7,409
	83,405	28,680

Further details of derivative financial instruments are provided in note 27.

18. Deferred tax

The following are the major deferred tax liabilities and assets recognised by the group and movements thereon during the current and prior reporting period.

	Total £000
At 1 January 2015	(183)
Charge to profit or loss	50
Prior year adjustment	932
Effect of change in tax rate	(85)
At 31 December 2015	714
Credit to profit or loss	107
Prior year adjustment	47
Effect of change in tax rate	(159)
At 31 December 2016	709

18. Deferred tax (continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	31 December 2016 £000	31 December 2015 £000
Deferred tax liabilities :		
Revaluation of financial assets	(198)	(223)
	(198)	(223)
Deferred tax assets:		
Accelerated tax depreciation	800	814
Tax losses	107	123
	908	937
	709	714

At the balance sheet date, the group has unused tax losses of £306k from its US subsidiary (2015: £610k) available for offset against future profits. A deferred tax asset has been recognised in respect of all of these losses. The deferred tax assets are expected to be recovered more than twelve months after the reporting period.

19. Obligations under finance leases

	Minimum lease payments	
	31 December 2016 £000	31 December 2015 £000
Amounts payable under finance leases:		
Within one year	163	210
In the second to fifth years inclusive	90	210
After five years	-	-
Present value of lease obligations	253	420
Analysed as:		
Amounts due for settlement within 12 months (shown under current liabilities)	163	210
Amounts due for settlement after 12 months	90	210
	253	420

	Present value of minimum lease payments	
	31 December 2016 £000	31 December 2015 £000
Amounts payable under finance leases:		
Within one year	161	208
In the second to fifth years inclusive	89	209
After five years		-
	250	417

It is the group's policy to lease its ATM machines for use in London and across its retail locations under finance leases. The average lease term is 4 years. For the year ended 31 December 2016, the average effective borrowing rate was 0.39 per cent (2015: 0.35 per cent). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Sterling.

The fair value of the Group's lease obligations is approximately equal to their carrying amount.

The Group's obligations under finance leases are secured by the lessors' rights over the leased assets disclosed in this note.

20. Trade and other payables

	31 December 2016 £000	31 December 2015 £000
Trade payables and accruals	265,514	192,703
Amount owed to group companies	1,057	-
	266,571	192,703

Trade creditors and accruals principally comprise of amounts outstanding for customer balances, trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. For most suppliers no interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

21. Defined contribution pension plan

The Group has a defined contribution pension scheme that covers employees whose length of service is at least three months. Allocations to individual employees are based on the salary level of the employee and employee contribution. At 31 December 2016 the Group had a liability of approximately £93k (31 December 2015 £97k), included in other liabilities in the accompanying consolidated balance sheets, related to the pension scheme. During the year the Group made pension contributions to the scheme on behalf of key management of £9k (2015: £9k).

22. Called up share capital

	31 December 2016 £000	31 December 2015 £000
Authorised: 350 thousand (2015: 350 thousand) ordinary shares of £1 each	350	350
Issued and fully paid:		
350 thousand (2015: 350 thousand) ordinary shares of £1 each	350	350

The Company has one class of ordinary shares which carry no right to fixed income.

23. Translation reserves

	Translation reserve £000
Balance at 1 January 2016	63
Exchange differences on translating the net assets of foreign operations	-
Balance at 31 December 2015 and at 1 January 2016	63
Exchange differences on translating the net assets of foreign operations	-
Balance at 31 December 2016	63

Exchange differences relating to the translation of the net assets of the Group's foreign operations, which relate to subsidiaries only, from their functional currency into the parent's functional currency, being Sterling, are recognised directly in the translation reserve.

24. Retained earnings

	£000
Balance at 1 January 2015	31,465
Profit for the year	11,665
Balance at 31 December 2015 and at 1 January 2016	43,130
Profit for the year	17,368
Balance at 31 December 2016	60,498

25. Notes to the cash flow statement

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000 Restated
Operating profit	17,321	12,576
Adjustments for:		
Depreciation of property, plant and equipment	2,887	3,000
Amortisation of intangible assets	1,411	470
Loss on disposal of property, plant and equipment	-	2,133
Unrealised foreign currency movements		-
Operating cash flows before movements in working capital	21,619	18,179
(Increase)/decrease in inventories	(220)	91
Increase in receivables	(47,375)	(29,625)
Increase in payables	128,438	79,221
Cash generated by operations	102,462	67,866
Income tax paid	(557)	(163)
Interest paid	(66)	(592)
Net cash generated from operating activities	101,839	67,111

Additions to fixtures and equipment during the year amounting to £72k (2015: £117k) were financed by new finance leases.

Cash and cash equivalents

	31 December 2016 £000	31 December 2015 £000
Cash and bank balances	275,488	173,914
	275,488	173,914

Cash and cash equivalents comprise cash balances as well as £234m (2015: £150m) of customer balances. The corresponding liability is included within trade receivables (Note 16). TTT Moneycorp Limited is regulated by the Financial Conduct Authority under the Payment Services Directive and is required to keep these funds in a client safeguarding account. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting year as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet position as shown above.

26. Operating lease arrangements

The Group as lessee

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000
Lease payments under operating leases recognised as an expense in the year	46,657	51,130

At the balance sheet date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 December 2016 £000	31 December 2015 £000
Within one year	38,542	31,775
In the second to fifth years inclusive	29,879	41,985
After five years	8,924	10,881
	77,345	84,641

Operating lease payments represent rentals payable by the Group for certain of its office properties and retail outlets at airport locations. The arrangements with these retail outlets typically include a minimum payable amount, plus a contingent element payable based on passenger numbers. A number of leases permit the Group to extend the lease beyond its current term based on market rates at the time of the extension. There are no purchase options contained within the operating lease held by the Group. There are no restrictions imposed on any of the operating leases.

27. Financial Instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns. The Group's overall strategy remains unchanged from 2014.

The capital risk management objective for the Group is to maintain sufficient liquidity after debt servicing to enable it to continue as a going concern.

The capital structure of the Group consists of net debt (borrowings disclosed in note 27 after deducting cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings as disclosed in notes 22 to 24.

TTT Moneycorp Limited is regulated by the FCA under the Payment Services Directive and is required to keep an appropriate amount of these funds in a client safeguarding account.

The rest of the Group is not subject to any externally imposed capital requirements.

27. Financial Instruments (continued)

Gearing ratio

The gearing ratio at the year-end is as follows:

	31 December 2016 £000	31 December 2015 £000
Debt	(11,198)	(5,960)
Cash and cash equivalents (excluding amounts held on behalf of customers)	41,077	23,860
Net Cash	29,879	17,900
Equity	60,911	43,543
Net cash to equity ratio	49%	41%

Debt is defined as long- and short-term borrowings (excluding derivatives contracts) as detailed in this note.

Equity includes all capital and reserves of the Group that are managed as capital.

The net debt to equity is in line with expectations.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Categories of financial instruments

	31 December 2016 £000	31 December 2015 £000
Financial assets		
Cash and bank balances	275,488	173,914
Derivative assets (restated)	95,706	39,502
Loans and receivables	38,362	48,013
	409,555	261,429
Financial liabilities		
Derivative liabilities (restated)	(83,405)	(28,680)
Borrowings and payables	(277,769)	(200,026)
	(361,173)	(228,706)

27. Financial Instruments (continued)

Financial risk management objectives

The main risks arising from the Group's financial instruments are market risk (including foreign currency and interest rate), credit risk and liquidity risk. The Board approves prudent treasury policies for managing each of the risks which are summarised below.

Market risk

The Group's principle business activities involve brokering derivative contracts, specifically foreign currency forwards and foreign currency options, entering back to back contracts with the customer and vendor. The back to back nature of the transactions eliminates exchange rate risk of the Group's operations and means the financial exposure of the Group is limited to client credit risk. The company has considered other risks including market risk (currency risk, fair value, interest rate risk and price risk), liquidity risk and cash flow interest rate risk. Any changing risk profile in one contract will be mitigated by an offset in the corresponding back to back contract arrangement.

The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The sensitivity to market risk is therefore immaterial.

Foreign currency risk management

The Group undertakes derivative transactions denominated in foreign currencies, however is not consequently exposed to exchange rate fluctuations. All exchange rate fluctuations between the Group and the customer are economically hedged through a corresponding movement in the contract entered into with the vendor.

The Group does maintain bank balances in a number of currencies, and is therefore exposed to movements in foreign exchange rates on these limited balances. The amount of foreign currency balances is not material to the Group.

The Group holds foreign currency stocks and earns profit denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising hedging. The amount of foreign currency stock held is not material to the Group.

The results of the foreign subsidiaries do not give rise to material exposure to exchange rate fluctuations as can be seen in note 23.

27. Financial Instruments (continued)

Interest rate risk management

The Group's has intercompany borrowings from Regent Acquisition (Holdings) Limited of £1m (2015: £6m) secured at a 10% fixed rate. The Group receives interest from bank balances, but is not material.

Interest received from trade and other receivables is not material as credit terms are either not provided or where provided payments are generally made within the terms. Interest payable to trade and other payables is also not material as payments are made within agreed credit terms. The business model of the Group is also not to take interest rate risk and positions are back out on a one for one basis further minimising any exposure to interest rate risk.

The Group is not therefore exposed to any material interest rate risk.

Other price risks

The Group is not exposed to any other price risks.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Credit risk arises from the possibility that the Group will incur losses from the failure of its customers to meet their obligations. The Group does provide a limited amount of credit to its customers and credit exposures can arise, normally for a short period of time, as the Company depends on its customers to pay for monies and services provided and to perform on foreign exchange contracts. All material credit exposures require approval by the Group Credit Committee comprising individuals independent of business revenue generation. Credit exposures are monitored regularly against approved risk limits, with client margins called for where appropriate.

For certain clients the Group requires collateral to be posted when their positions are out of the money above a certain tolerance level.

Financial assets that were past due or impaired as at the 31 December 2016 amounted to £558k (2015: £1,269k).

Credit quality

In the absence of external credit ratings, the credit quality of forward contracts and certain Wholesale clients that are neither past due nor impaired are assessed by management taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal limits set by the board. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

For the all other material receivables the Group obtains external credit ratings which are regularly monitored by the Group.

27. Financial Instruments (continued)

Counterparties without external credit rating	2016 £000	2015 £000 Restated
	Forward contracts	Forward contracts
Group 1 – 5	40,333	13,375
Group 2 – 4	38,608	12,101
Group 3 – 3	6,671	2,548
Group 4 – Other*	-	3,822
	85,612	31,846

*Other grouping contains all smaller counterparties where an average credit adjustment has been applied. All internal groupings are deemed recoverable.

The Group scores customers using a scale of 1 to 7. With category 1 being the least risky, equivalent to Investment grade and grade 7 being the riskiest group. The majority of customers fall between grades 3 and 5 which reflects the SME nature of the Groups client base.

At 31 December 2016 (2015: nil) there were no Wholesale client receivables without external credit rating.

For all other material receivables the Group obtains external credit ratings which are regularly monitored by the Group.

27. Financial Instruments (continued)

Liquidity risk management

The settlement of spot and forward contacts and other short term working capital requirements requires adequate liquidity which is generated through intra-day settlement facilities. These facilities are provided through financial institutions with which the Group has a long trading history. The Group seeks to manage this risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the balance sheet date. The contractual maturity is based on the earliest date on which the Group may be required to pay.

	Within 1 year £000	Between 1 and 2 years £000	Between 2 and 5 years £000	5+ years £000	Total £000
31 December 2016					
Borrowing principal and interest payments:					
Loan	(10,143)	-	(1,055)	-	(11,198)
Obligations under finance lease	(163)	(57)	(33)	-	(253)
Trade and other payables	(266,571)	-	-	-	(266,571)
	(276,877)	(57)	(1,088)	-	(278,022)
31 December 2015					
Borrowing principal and interest payments:					
Loan	(4,319)	-	(1,642)	-	(5,961)
Obligations under finance lease	(210)	(158)	(53)	-	(421)
Trade and other payables	(192,703)	-	-	-	(192,703)
	(197,232)	(158)	(1,695)	-	(199,085)

27. Financial Instruments (continued)

The following table details the Group's expected maturity for its non-derivative financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those assets.

	Within 1 year £000	Between 1 and 2 years £000	Between 2 and 5 years £000	5+ years £000	Total £000
31 December 2016					
Trade and other payables	(266,571)	-	-	-	(266,571)
Borrowings	(10,143)	-	(1,055)	-	(11,198)
	(276,714)	-	(1,055)	-	(277,769)
31 December 2015					
Trade and other payables	(192,703)	-	-	-	(192,703)
Borrowings	(4,319)	-	(1,642)	-	(5,961)
	(197,022)	-	(1,642)	-	(198,664)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the reporting date.

The Group has access to financing facilities, of which £30.35 million were unused at the balance sheet date (2015: £30 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

The carrying amount of the borrowings approximates their fair value.

27. Financial Instruments (continued)

The following table details the Group's liquidity analysis for its derivative financial instruments based on contractual maturities. The table has been drawn up based on the undiscounted net cash inflows and outflows of derivative instruments that settle on a net basis. Brokering derivative contracts, specifically foreign currency forwards and foreign currency options, involves entering back to back contracts with the customer and vendor. The back to back nature of the transactions means that for each trade there is a cash outflow in one currency and a cash inflow in another currency and as such it would be inappropriate to present only the cash outflows. Foreign exchange options are fully back to back and therefore there is no net settlement value.

	Within 1 year £000	Between 1 and 2 years £000	Between 2 and 5 years £000	5+ years £000	Total £000
31 December 2016					
Gross settled:					
Foreign exchange forward contracts	7,841	1,041	-	-	8,882
Foreign exchange options	-	-	-	-	-
	7,841	1,041	-	-	8,882
31 December 2015					
Gross settled:					
Foreign exchange forward contracts	9,412	1,163	-	-	10,575
Foreign exchange options	-	-	-	-	-
	9,412	1,163	-	-	10,575

27. Financial Instruments (continued)

Fair value measurements

The information set out below provides information about how the Group determines fair values of various financial assets and financial liabilities.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting year. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	**Fair value as at**			**Fair value hierarchy**	**Valuation technique(s) and key input(s)**
£000	**31/12/16**	**31/12/15 Restated**			
1) Foreign currency forward contracts	85,612 (73,627)	31,846 (21,271)		Level 2	Foreign currency forward contracts values are determined by observable forward exchange rates and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Un-adjusted forwards MTM (less CVA and DVA)	86,179 (77,274)	18,070 (18,070)			
3) Foreign currency options	10,094 (9,778)	7,656 (7,409)			Foreign currency options are valued using a range of market standard valuation models. The model and methodology used is dependent on the type of option product. The key inputs are:
4) Un-adjusted options MTM (less CVA and DVA)	10,994 (10,994)	7,656 (7,656)			- underlying value of the currency - strike price - time to expiration - volatility of underlying asset - risk free rate The valuations are discounted at a rate that reflects the credit risk of the counterparty to the option.

There were no transfers between Level 1 and 2 or Level 2 and 3 in the current or prior year.

27. Financial Instruments (continued)

Fair value measurements of financial instruments

	31 December 2016			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Derivative assets	-	95,706	-	95,706
Total	-	95,706	-	95,706
Derivative liabilities	-	(83,405)	-	(83,405)
Total	-	(83,405)	-	(83,405)

The directors consider that the carrying amounts of all trade and other payables/receivables and borrowings recorded at amortised cost in the financial statements to approximate their fair values.

The fair value of derivative financial assets is calculated as the mark to market less any credit valuation adjustments (CVA). The fair value of the derivative financial liabilities is calculated as the mark to market less any debit valuation adjustments (DVA).

The mark to market of the foreign currency forwards and options are provided by an external valuation company.

Where a client trade is out of the money at the year-end a CVA is calculated to reflect the credit risk associated with that client.

For certain clients the Group requires collateral to be posted when their positions are out of the money above a certain tolerance level.

Where the Group is holding collateral from a client those funds are deducted from the out of the money exposures before the CVA is calculated.

Where a client trade is in the money a DVA is applied to the balance payable by the Group to reflect the credit risk associated with the Group. This adjustment is calculated using an estimate of the Group's borrowing costs.

27. Financial Instruments (continued)

	31 December 2015			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Derivative assets (restated)	-	39,502	-	39,502
Total	-	39,502	-	39,502
Derivative liabilities (restated)	-	(28,680)	-	(28,680)
Total	-	(28,680)	-	(28,680)

28. Events after the balance sheet date

Moneycorp CFX Limited, a subsidiary, acquired the trade and assets relating to the cash services business of TTT Moneycorp Limited at market value on 1 January 2017.

Regent Acquisitions (Holdings) Limited, the immediate parent, is in the process of acquiring Moneycorp CFX Limited, subject to HMRC approval.

Moneycorp, INC., a subsidiary, exchanged contracts on 5 May 2017 to acquire Commonwealth Foreign Exchange, Inc. subject to regulatory licensing approval.

Regent Acquisitions (Holdings) Limited, the immediate parent, acquired Moneycorp, INC. on 9 May 2017.

29. Ultimate holding company and controlling entity

At the Balance Sheet date, the immediate holding company is Regent Acquisitions (Holdings) Limited, a company incorporated and registered in Jersey Channel Islands. The ultimate holding Company is Moneta Topco Limited (100% effective holding), a company incorporated and registered in Jersey, Channel Islands. This company produces consolidated financial statements which may be obtained from Zig Zag Building (5th Floor), 70 Victoria Street, London SW1E 6SQ. The ultimate controllers of Moneta Topco Limited at the balance sheet date were Bridgepoint Europe IV (Nominees) Limited.

30. Related party transactions

Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its associates are disclosed below.

Trading transactions

During the year, group companies entered into the following transactions with related parties who are not members of the group. The gross amount of currencies sold to these companies is shown below:

Parent

	31 December 2016 £000	31 December 2015 £000
Bridgepoint Europe IV (Nominees) Limited	676,200	1,070,000

The following gross amounts relating to unsettled currency contracts were outstanding as at the balance sheet date:

Parent	Amounts owed by related parties		Amounts owed to related parties	
	31 December 2016 £000	31 December 2015 £000	31 December 2016 £000	31 December 2015 £000
Bridgepoint Europe IV (Nominees) Limited		580	-	-

Bridgepoint Europe IV (Nominees) Limited is the ultimate controller of the Moneta group of companies.

Other related parties

The gross amount of currencies sold to these companies is shown below:

	31 December 2016 £000	31 December 2015 £000
Bridgepoint Advisors Group	-	113,828
Fat Face Ltd	17,919	38,877
Wiggle Limited	25,377	-
Element Materials Technology Holding UK Ltd	59,322	-
Loc Group Ltd	15,061	-

30. Related party transaction (continued)

Other related parties
The following gross amounts relating to unsettled currency contracts were outstanding as at the balance sheet date:

	31 December 2016 £000	31 December 2015 £000
Bridgepoint Advisors Group	-	-
Fat Face Ltd	16,147	1,601
Wiggle Limited	4,787	-
Element Materials Technology Holding UK Ltd	13,743	-
Loc Group Ltd	6,775	-

Bridgepoint Advisors Group, Fat Face Ltd, Wiggle Ltd, Element Materials Technology Holding UK Ltd and Loc Group are entities connected by common control.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Directors' and management transactions

The following transactions were entered into by directors of Moneycorp group companies during the year:

M Horgan entered into foreign exchange transactions yielding commission income of £10 (2015: £nil) with an average margin of 0.02%. Transactions totalling £843 were outstanding at the year end.

N Haslehurst entered into foreign exchange transactions which generated commission for the group of £1 (2015: £nil) at an average margin of 0.01%. No transactions were outstanding at the year end.

P Lever entered into foreign exchange transactions yielding commission income for the group of £243 (2015: £242) at an average margin of 1%. Transactions totalling £1,675 were outstanding at the year end.

C Buchan entered into foreign exchange transactions which yielded commission income for the group of £1 (2015: £nil) at an average margin of 0.08%. No transactions were outstanding at the year end.

S Green had foreign exchange transactions during the year yielding profit to the group of £6,573 (2015: £23) at an average margin of 0.06% No transactions were outstanding at the year end.

R Moores had no foreign exchange transactions during the year (2015: commission income of £176). No transactions were outstanding at the year end.

Private client transactions carried out on standard terms will earn the group a margin in the range of 1% to1.5%.

During the year TTT Moneycorp Limited employed B Horgan, the son of M Horgan who is the Chief Executive Officer, as a Corporate Sales Executive on a fixed term contract that expires in December 2017. This is a junior role within the group and the employment is on an arm's length basis.

30. Related party transaction (continued)

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the group, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	31 December 2016 £000	31 December 2015 £000
Short-term employee benefits	1,033	650
Post-employment benefits	9	9
	1,042	659

One director is a member of a money purchase pension scheme.

31. Impact of reclassification

The Group has made a reclassification in the year in respect of income, administrative expenses, property, plant and equipment, intangible assets and derivative financial instruments that were misclassified in prior years and as a result has restated comparative information where relevant, as shown in the tables below:

Changes to the income statement

	Year ended 31 December 2015 Originally reported £000	Year ended 31 December 2015 Restatement £000	Year ended 31 December 2015 As restated £000
Income	121,957	11,000	132,957
Administrative expenses	(109,381)	(11,000)	(120,381)

Costs of £11m that had been netted off against income have been reclassified to administrative expenses.

Changes to the balance sheet

	31 December 2015 Originally reported £000	31 December 2015 Restatement £000	31 December 2015 As restated £000
Goodwill and other intangible assets	877	3,245	4,122
Property, plant and equipment	9,941	(3,245)	6,696
Deferred tax asset	-	714	714
Non-current assets	10,818	714	11,532
Derivative financial instruments (assets)	45,380	(5,878)	39,502
Deferred tax asset	714	(714)	-
Other current assets	221,215		221,215
Total assets	278,127	(5,878)	272,249
Derivative financial instruments (liabilities)	(34,558)	5,878	(28,680)
Other current liabilities	(198,174)	-	(198,174)
Net current assets	34,577	(714)	33,863
Non-current liabilities	(1,852)	-	(1,852)
Net assets	43,543	-	43,543
Total equity	43,543	-	43,543

Computer software costs of £3m have been reclassified from property, plant and equipment to intangible assets.

Deferred tax assets have been reclassified from current assets to non-current assets.

Gross assets and liabilities relating to foreign exchange forward contracts that had been closed out have been netted off reducing both the derivative financial assets and liabilities by £6m.

TTT Moneycorp Limited
Company balance sheet
As at ended 31 December 2016

	Note	31 December 2016 £000	31 December 2015 £000 Restated
Non-current assets			
Investment in subsidiaries	4	4,486	4,486
Other intangible assets	5	5,005	4,122
Property, plant and equipment	6	6,934	6,641
Deferred tax asset	9	602	639
		17,027	15,888
Current assets			
Inventories		329	110
Trade and other receivables	7	27,977	41,177
Cash and bank balances		275,378	173,553
Derivative financial instruments		95,706	39,502
		399,390	254,342
Total assets		416,418	270,230
Current liabilities			
Trade and other payables	8	(262,211)	(192,529)
Current tax liabilities		(258)	(841)
Obligations under finance leases		(163)	(210)
Borrowings		(10,143)	-
Derivative financial instruments		(83,405)	(28,680)
		(356,180)	(222,260)
Net current assets		43,210	32,082
Non-current liabilities			
Borrowings		(1,055)	(5,960)
Derivative financial instruments		(90)	(192)
		(1,145)	(6,152)
Total liabilities		(357,325)	(228,412)
Net assets		59,093	41,818
Equity			
Share capital		350	350
Translation reserves		63	63
Unrealised profit reserve		301	301
Retained earnings	10	58,379	41,104
Total equity		59,093	41,818

TTT Moneycorp Limited
Company balance sheet
As at ended 31 December 2016

The financial statements of TTT Moneycorp Limited (registered number 00738837) were approved by the board of directors and authorised for issue on 5 July 2017. They were signed on its behalf by:

N Haslehurst

Director

TTT Moneycorp Limited
Company statement of changes in equity
For the year ended 31 December 2016

	Share Capital £000	Translation reserves £000	Unrealised profit reserve £000	Retained Earnings £000	Total Equity £000
Balance at 1 January 2015	350	63	301	29,973	30,687
Profit for the year	-	-	-	11,131	11,131
Balance at 31 December 2015 and at 1 January 2016	350	63	301	41,104	41,818
Profit for the year	-	-	-	17,275	17,275
Balance at 31 December 2016	350	63	301	58,379	59,093

TTT Moneycorp Limited
Company cash flow statement
For the year ended 31 December 2016

	Note	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Net cash generated from operating activities	13	102,030	72,455
Investing activities			
Proceeds on disposal of property, plant and equipment		-	150
Purchases of property, plant and equipment		(2,836)	(2,777)
Purchases of computer software		(2,294)	(2,364)
Other receivable		-	(207)
Net cash generated from investing activities		(5,130)	(5,198)
Financing activities			
Borrowings		10,143	-
Repayments of borrowings		(4,984)	-
Repayments of obligations under finance leases		(234)	(103)
Net balances acquired with subsidiary undertaking		-	-
Net cash generated from/ used in financing activities		4,925	(102)
Net increase in cash and cash equivalents		101,825	67,155
Cash and cash equivalents at beginning of year		173,553	106,398
Cash and cash equivalents at end of year		275,378	173,553

1. *Significant accounting policies*

The separate financial statements of the company are presented as required by the Companies Act 2006. As permitted by that Act, the separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union.

The financial statements have been prepared on the historical cost basis except for the remeasurement of certain financial instruments to fair value. The principal accounting policies adopted are the same as those set out in note 3 to the consolidated financial statements.

Critical accounting judgement and key sources of estimation uncertainty are stated in note 4 to the *consolidated financial statements.*

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

2. Profit and loss account

As permitted under section 408 of the Companies Act 2006 the Directors have not presented an income statement for the Company. The Company made a profit of £17.3m (2015: £11.1m).

3. Operating profit

The auditors' remuneration for audit and other services is disclosed in note 7 to the consolidated financial statements.

TTT Moneycorp Limited
Notes to the company financial statements
For the year ended 31 December 2016

4. Investment in Subsidiaries

Details of the Company's subsidiaries at 31 December 2016 are as follows:

Name	Place of Incorporation (or registration) and operation	Proportion of ownership interest %	Proportion of voting power held %
Moneycorp CFX Limited	UK	100%	100%
Moneycorp SLU	Spain	100%	100%
Moneycorp Inc	USA	100%	100%
TTT Moneycorp Pty Ltd.	Australia	100%	100%
Moneycorp SAS	France	100%	100%
Moneycorp Brasil Participacoes Ltda	Brazil	100%	100%

The investments in subsidiaries are all stated at cost.

Further information about subsidiaries is provided in note 14 to the consolidated financial statements.

5. Goodwill and other intangible assets

Cost	Goodwill £000 Restated	Internally developed software £000 Restated
At 1 January 2015	877	1,386
Additions	-	2,364
At 31 December 2015 and 1 January 2016	877	3,750
Additions	-	2,294
At 31 December 2016	877	6,044
Accumulated amortisation and impairment		
At 1 January 2015	-	35
Charge for the year	-	470
At 31 December 2015 and 1 January 2016	-	505
Charge for the year	-	1,456
At 31 December 2016	-	1,961
Carrying amount		
At 31 December 2016	877	4,083
At 31 December 2015	877	3,245

6. Property, plant and equipment

	Leasehold Properties £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000 Restated	Finance leases £000	Total £000
Cost						
At 1 January 2015	1,185	-	9,633	7,262	823	18,903
Additions	-	-	983	1,713	117	2,813
Disposals	-	-	(3,123)	(403)	-	(3,526)
At 31 December 2015 and 1 January 2016	1,185	-	7,493	8,572	940	18,190
Additions	-	-	2,170	789	71	3,030
Disposals	-	-	-	-	-	-
At 31 December 2016	1,185	-	9,663	9,361	1,011	21,220
Accumulated depreciation and impairment						
At 1 January 2015	1,008	-	4,360	4,151	229	9,748
Charge for the year	6	-	1,190	1,555	222	2,973
Disposals	-	-	(995)	(177)	-	(1,172)
At 31 December 2015 and 1 January 2016	1,014	-	4,555	5,529	451	11,549
Charge for the year	6	-	923	1,568	240	2,737
Disposals	-	-	-	-	-	-
At 31 December 2016	1,020	-	5,478	7,097	691	14,286
Carrying amount						
At 31 December 2016	165	-	4,185	2,265	320	6,934
At 31 December 2015	171	-	2,938	3,043	489	6,641

7. Financial assets

Trade receivables are classified as loans and receivables and are therefore recognised at fair value and then measured at amortised cost.

8. Financial liabilities

Trade and other payables

Trade payables principally comprise of amounts outstanding for customer balances, trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days.

The carrying amount of trade payables approximates to their fair value.

9. Deferred tax asset

The following is the deferred tax asset recognised by the company and movements thereon during the current and prior reporting year.

	£000
At 1 January 2015	(313)
Credit to profit or loss	993
Prior year adjustment	(41)
At 31 December 2015 and 1 January 2016	639
Effect of change in tax rate	(158)
Prior year adjustment	121
As at 31 December 2016	602

No deferred tax assets have been offset against deferred tax liabilities. At the balance sheet date the Company has no unused tax losses (2015: nil) available for offset against future profits.

10. Retained earnings

	£000
Balance at 1 January 2015	29,973
Profit for the year	11,131
Balance at 31 December 2015 and 1 January 2016	41,104
Profit for the year	17,275
Balance at 31 December 2016	58,379

11. Financial instruments

Risk management is disclosed in note 27 to the consolidated financial statements.

12. Related parties

Remuneration of key management personnel

Remuneration of key management is disclosed in note 30 to the consolidated financial statements.

13. Notes to the cash flow statement

	Year ended 31 December 2016 £000	Year ended 31 December 2015 £000 Restated
Operating profit	17,192	11,885
Adjustments for:		
Depreciation of property, plant and equipment	2,737	3,435
Amortisation of intangible assets	1,411	35
Loss on disposal of property, plant and equipment	-	2,133
Unrealised foreign currency movements	-	-
Operating cash flows before movements in working capital	21,340	17,488
(Increase)/decrease in inventories	(220)	91
Increase in receivables	(37,124)	(8,726)
Increase in payables	118,360	63,007
Cash generated by operations	102,356	71,860
Income tax paid	(394)	-
Interest paid	68	595
Net cash generated from operating activities	102,030	72,455

14. Impact of reclassification

The Group has made a reclassification in the year in respect of property, plant and equipment, intangible assets and derivative financial instruments that were misclassified in prior years and as a result has restated comparative information where relevant, as shown in the tables below:

Changes to the balance sheet

	31 December 2015	31 December 2015	31 December 2015
	Originally reported £000	Restatement £000	As restated £000
Other intangible assets	-	3,245	3,245
Property, plant and equipment	9,886	(3,245)	6,641
Deferred tax asset	-	639	639
Other non-current assets	5363	-	5,363
Non-current assets	15,249	639	15,888
Derivative financial instruments (assets)	45,380	(5,878)	39,502
Deferred tax asset	639	(639)	-
Other current assets	214,840	-	214,840
Total assets	276,108	(5,878)	270,230
Derivative financial instruments (liabilities)	(34,558)	5,878	(28,680)
Other current liabilities	(193,580)	-	(193,580)
Net current assets	32,721	(639)	32,082
Non-current liabilities	(6,152)	-	(6,152)
Net assets	41,818	-	41,818
Total equity	41,818	-	41,818

Computer software costs of £3m have been reclassified from property, plant and equipment to intangible assets.

Deferred tax assets have been reclassified from current assets to non-current assets.

Gross assets and liabilities relating to foreign exchange forward contracts that had been closed out have been netted off reducing both the derivative financial assets and liabilities by £6m.