

**FX CORPORATION PLC
AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2009**

Company Number: 2880673

FX CORPORATION PLC AND ITS SUBSIDIARIES

Company Information

Directors	M. Gini D. Savjani G. Merli
Company Secretary	M. Gini
Company Number	2880673
Registered Office	4 th Floor 292 Vauxhall Bridge Road London SW1V 1AE
Auditors	Wilder Coe Chartered Accountants 233 - 237 Old Marylebone Road London NW1 5QT

FX CORPORATION PLC AND ITS SUBSIDIARIES

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FX CORPORATION PLC AND ITS SUBSIDIARIES

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and the audited financial statements for the year ended 31 December 2009.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period. In preparing these audited financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

PROVISION OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the group's auditors in connection with preparing their report and to establish that the group's auditors are aware of that information.

PRINCIPAL ACTIVITY

The group's principal activity during the year was that of retail and wholesale foreign exchange trading.

RESULTS, REVIEW OF BUSINESS AND DIVIDENDS

The profit for the year, after taxation, amounted to £6,562,717 (2008: £6,951,284).

The directors are pleased with the group's overall performance during the year. During a period of challenging economic conditions the group has delivered solid profitable results. The directors are aware of further challenges ahead but still anticipate a profitable performance in 2010.

The principal risks faced by the group are those of general market and economic risks in common with other business in the current economic climate.

The directors aim to manage these risks in order to maintain and improve on the current level of performance.

During the year dividends of £500,000 (£0.625 per share) (2008: £2,400,000) were paid. The directors do not recommend the payment of a final dividend.

FX CORPORATION PLC AND ITS SUBSIDIARIES

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

FINANCIAL INSTRUMENTS

Treasury operations and financial instruments

The group operates a centralised treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the group's activities.

The group's principal financial instruments include derivative financial instruments, the purpose of which is to manage currency risks arising from the group's activities, and bank overdrafts the main purposes of which are to raise short-term finance for the group's operations and manage currency risks. In addition, the group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. Derivative transactions which the group enters into principally comprise forward exchange contracts. In accordance with the group's treasury policy, derivative instruments are not entered into for speculative purposes.

Liquidity risk

The group manages its cash and borrowing requirements centrally to maximise interest income and minimise interest expense, whilst ensuring that the group has sufficient liquid resources to meet the operating needs of its businesses.

Foreign currency risk

The group's principal foreign currency exposures arise from holding foreign currency bank note stocks for trading purposes. Group policy permits but does not demand that these exposures may be hedged in order to minimise this exposure. This hedging activity involves the use of foreign exchange forward contracts and foreign exchange currency bank overdrafts.

Credit risk

Investments of cash surpluses are made through the group's principal bankers.

All customers who wish to trade on credit terms are subject to credit verification procedures. Debtor balances are monitored on an on-going basis and provision is made for doubtful debts where necessary.

CREDITOR PAYMENT POLICY

It is the group's policy to agree payment terms and conditions with its suppliers on an individual transaction basis and to ensure that these terms and conditions are abided by. Creditor days have been calculated as 13 days (2008: 18 days).

EMPLOYEE INVOLVEMENT

The group consults with its branch staff in order to adapt to local market conditions. This is achieved by regular contact with and visits to its branches.

DISABLED EMPLOYEES

Recruitment and promotion are determined solely by personal merit and effective performance of the job requirements. No applicant or employee will be treated less favourably than others on the grounds of disability.

DIRECTORS

The directors of the company who served during the year were: -

	Ordinary Shares of £1 each	
	2009	2008
M. Gini	750,000	536,603
D. Savjani	-	-
G. Merli	-	-

FX CORPORATION PLC AND ITS SUBSIDIARIES

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

AUDITORS

The auditors, Wilder Coe, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 15 March 2010 and signed on its behalf.

M. Gini
Secretary
4th Floor
292 Vauxhall Bridge Road
London SW1V 1AE

FX CORPORATION PLC AND ITS SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FX CORPORATION PLC

We have audited the group and parent company financial statements of FX Corporation PLC for the year ended 31 December 2009 set out on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2009 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Opinion on other matters prescribed by the Companies Act 2006

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

FX CORPORATION PLC AND ITS SUBSIDIARIES

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
FX CORPORATION PLC**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Bee Lean Chew (Senior Statutory Auditor)
For and on behalf of

WILDER COE
Chartered Accountants and Statutory Auditors
233-237 Old Marylebone Road
London NW1 5QT

Date: 16 March 2010

FX CORPORATION PLC AND ITS SUBSIDIARIES

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009	2008
		£'000	£'000
TURNOVER	2	25,771	30,063
GROSS PROFIT		25,771	30,063
Administrative expenses		(18,111)	(22,534)
Other operating income		1,343	1,600
OPERATING PROFIT	3	9,003	9,129
Net interest receivable	4	58	647
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,061	9,776
Taxation on profit on ordinary activities	7	(2,498)	(2,824)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		6,563	6,952
Minority interests		(310)	(368)
RETAINED PROFIT FOR THE YEAR	17, 18	6,253	6,584

All amounts relate to continuing operations.

The notes on pages 12 to 23 form part of these financial statements.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	<i>2008</i>
	£'000	<i>£'000</i>
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	6,253	<i>6,584</i>
Exchange differences on re-translation of net assets of subsidiary undertakings	(433)	<i>943</i>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	5,820	<i>7,527</i>

The notes on pages 12 to 23 form part of these financial statements.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2009**

		2009		2008	
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Intangible assets	9		7		61
Tangible assets	10		3,481		3,776
			<u>3,488</u>		<u>3,837</u>
CURRENT ASSETS					
Stocks	12	27,087		31,951	
Debtors	13	4,242		5,259	
Cash at bank and in hand		27,361		8,833	
			<u>58,690</u>		<u>46,043</u>
CREDITORS: Amounts falling due within one year	14	(21,160)		(14,147)	
NET CURRENT ASSETS			<u>37,530</u>		<u>31,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>41,018</u>		<u>35,733</u>
NET ASSETS			<u>41,018</u>		<u>35,733</u>
CAPITAL AND RESERVES					
Called up equity share capital	16		750		500
Profit and loss account	17		39,493		34,423
EQUITY SHAREHOLDERS' FUNDS	18		<u>40,243</u>		<u>34,923</u>
Minority Interests	19		775		810
CAPITAL EMPLOYED			<u>41,018</u>		<u>35,733</u>

The financial statements were approved by the Board on 15 March 2010 and signed on its behalf by

M Gini

Director

D. Savjani

Director

The notes on pages 12 to 23 form part of these financial statements.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**REGISTERED NUMBER: 2880673
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2009**

		2009		2008	
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Investments	11		3,137		3,111
CURRENT ASSETS					
Cash at bank		4,000		-	
		<hr/>		<hr/>	
		4,000		-	
CREDITORS: Amounts falling due within one year	14	(129)		(1,098)	
NET CURRENT ASSETS/(LIABILITIES)			<hr/>	<hr/>	
			3,871		(1,098)
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>	<hr/>	
			7,008		2,013
CREDITORS: Amounts falling due after more than one year			-		-
NET ASSETS			<hr/>	<hr/>	
			7,008		2,013
CAPITAL AND RESERVES					
Called up equity share capital	16		750		500
Profit and loss account	17		6,258		1,513
EQUITY SHAREHOLDERS' FUNDS			<hr/>	<hr/>	
			<hr/>	<hr/>	
			7,008		2,013

The financial statements were approved by the Board on 15 March 2010 and signed on its behalf by

M Gini

Director

D. Savjani

Director

The notes on pages 12 to 23 form part of these financial statements.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009		2008
	£'000	£'000	£'000
Operating Activities			
Net cash inflow/(outflow) from continuing operating activities (Page 11)		23,385	(10,556)
Return on investments and servicing of finance			
Interest received	348		1,115
Interest paid	(311)		(344)
		37	771
Dividends paid			
Dividends paid to minority interests	(279)		(282)
Dividends paid to equity shareholders	(500)		(2,400)
		(779)	(2,682)
Taxation			
Corporation tax paid	(3,229)		(2,743)
		(3,229)	(2,743)
Capital expenditure and financial investment			
Purchase of intangible fixed assets	-		-
Purchase of tangible fixed assets	(652)		(1,480)
Sale of tangible fixed assets	199		135
		(453)	(1,345)
Cash inflow/(outflow) before management of liquid resources and financing		18,961	(16,555)
Financing			
Repayment of loans	-		-
Net cash outflow from financing		-	-
Increase/(Decrease) in cash in the year		18,961	(16,555)

The notes on pages 12 to 23 form part of these financial statements.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**CONSOLIDATED CASH FLOW STATEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2009**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH
INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	Notes	2009	<i>2008</i>
		£'000	<i>£'000</i>
Operating profit		9,003	<i>9,129</i>
Depreciation and amortisation charges		885	<i>974</i>
Profit on disposal of tangible fixed assets		(131)	<i>5</i>
Decrease/(Increase) in stocks		4,863	<i>(2,964)</i>
Decrease in debtors		930	<i>462</i>
Increase/(Decrease) in creditors		7,835	<i>(18,162)</i>
		<hr/>	<hr/>
Net cash flow from operating activities		23,385	<i>(10,556)</i>
		<hr/> <hr/>	<hr/> <hr/>

**RECONCILIATION OF NET CASH FLOW TO
MOVEMENT IN NET (DEBT) /FUNDS**

		2009	<i>2008</i>
		£'000	<i>£'000</i>
Increase/(Decrease) in cash in the year		18,961	<i>(16,555)</i>
Other non cash movements		(433)	<i>943</i>
		<hr/>	<hr/>
Movement in net funds in the year		18,528	<i>(15,612)</i>
Net funds at 1 January		8,833	<i>24,445</i>
		<hr/>	<hr/>
Net funds at 31 December	20	27,361	<i>8,833</i>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 12 to 23 form part of these financial statements

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and include the results of the group's operations, which are described in the Directors Report, all of which are continuing.

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of FX Corporation Plc and all its subsidiaries. Goodwill arising on consolidation is capitalised and amortised over its estimated useful life, subject to periodic reviews for impairment of value in accordance with Financial Reporting Standard Number 10.

1.3 Turnover

Turnover represents margins and commissions earned from retail and wholesale foreign exchange trading undertaken by the group during the year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases: -

Freehold property	2% Straight Line
Short-term leasehold land and buildings	15% Reducing balance
Fixtures and fittings	20% Straight line
Computer equipment	25% Straight line
Computer software	20% Straight line
Motor vehicles	25% Reducing balance

1.5 Intangible Fixed Assets

Intangible fixed assets principally comprise franchise fees and goodwill on consolidation. Franchise fees are amortised at 2% per annum on a straight-line basis, where rights have been granted in perpetuity, or such other rate as is compatible with the useful life of the franchise acquired. The policy on goodwill is described in Note 1.2 above.

1.6 Stock

Stocks comprise sterling and foreign currencies held for trading purposes, and encashed travellers cheques. Stocks are valued at the appropriate exchange rates prevailing at the year-end date.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES (continued)

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge of the net obligation outstanding in each period.

1.9 Operating leases

Rentals applicable to operating leases where substantially all of the risks and benefits of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term.

1.10 Pensions

The group operates a money purchase pension scheme on behalf of certain directors of FX Corporation Plc, and certain directors of its subsidiary companies. The group also makes payments to personal pension schemes on behalf of certain of its employees, and makes contributions to a self-administered scheme on behalf of one other director. The pension charge represents the amounts payable by the group in respect of the year.

1.11 Investments

In the holding company accounts shares in subsidiary undertakings are stated at cost less any provision for permanent diminution in value.

1.12 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are taken into account in arriving at the operating profit.

1.13 Forward contracts

The group uses forward foreign exchange contracts for hedging purposes. As contracts are taken out to cover general currency exposure rather than to match specific transactions, the group treats a forward contract separately from other transactions. The premium or discount arising on each contract is accounted for over the life of the contract and the contract is marked to market as the contract progresses. The net amount receivable or payable as computed on this basis is included in other debtors or other creditors as appropriate.

1.14 General

Except where shown otherwise, all disclosures in the notes to the financial statements relate to the group, as opposed to the holding company.

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

2. TURNOVER

The turnover and pre-tax profit is entirely attributable to the group's principal activity as noted in Note 1.3 above.

Analysis of turnover by : - Geographical market	2009 £'000	<i>2008 £'000</i>
United Kingdom	19,399	22,865
European Union	6,249	7,040
Rest of World	123	158
	<u>25,771</u>	<u>30,063</u>

3. OPERATING PROFIT

The operating profit is stated after charging:	2008 £'000	<i>2008 £'000</i>
Depreciation and amortisation - owned by the group	885	974
Fees payable to the company's auditor for the audit of the company's annual accounts	1	1
Fees payable to the company's auditor and its associates for other services: The audit of the company's subsidiaries, pursuant to legislation	44	43
Other services pursuant to legislation	3	3
Tax services	2	2
Operating lease rentals - other	4,369	4,508
	<u>4,369</u>	<u>4,508</u>

4. NET INTEREST RECEIVABLE

Interest payable	2009 £'000	<i>2008 £'000</i>
On bank loans and overdrafts	174	454
Other interest payable	15	14
	<u>189</u>	<u>468</u>
Interest receivable		
Bank interest	247	1,115
	<u>247</u>	<u>1,115</u>
Net interest receivable in year	<u>58</u>	<u>647</u>

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

5. DIRECTORS AND EMPLOYEES

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Staff costs including directors:-		
Wages and salaries	7,555	<i>10,067</i>
Social security costs	983	<i>1,282</i>
Other pension costs	237	<i>336</i>
	<hr/>	<hr/>
	8,775	<i>11,685</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2009	<i>2008</i>
Sales and distribution	282	<i>329</i>
Office and management	84	<i>85</i>
	<hr/>	<hr/>
	366	<i>414</i>
	<hr/> <hr/>	<hr/> <hr/>

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Directors' emoluments:-		
Aggregate emoluments	1,460	<i>3,032</i>
Pension contributions	214	<i>275</i>
Compensation for loss of office	-	<i>98</i>
	<hr/>	<hr/>
Total emoluments	1,674	<i>3,405</i>
	<hr/> <hr/>	<hr/> <hr/>

Included in the above are the following emoluments paid to the highest paid director:

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Aggregate emoluments	942	<i>1,524</i>
Pension contributions	100	<i>175</i>
	<hr/>	<hr/>
Total emoluments	1,042	<i>1,699</i>
	<hr/> <hr/>	<hr/> <hr/>

During the year retirement benefits were accruing to 2 directors (2008: 2) in respect of money purchase pension schemes or self-administered schemes.

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

6. PENSION COSTS

The group contributes to a self-administered scheme on behalf of M. Gini. The assets of the scheme are held separately from those of the company in an independently administered fund.

The group also makes payments into money purchase pension schemes on behalf of certain directors and certain employees.

Contributions payable by the group amounted to £233,070 (2008: £308,845). All contributions were paid in the year.

7. TAXATION

	2009	2008
	£'000	£'000
Current tax (see note below)		
UK Corporation Tax	2,066	2,259
Overseas Tax	445	631
Prior year underprovision	-	-
Total Current Tax	2,511	2,890
Deferred Tax – origination and reversal of timing differences	(13)	(66)
	2,498	2,824
	2,498	2,824

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2008 – higher than) the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2009	2008
	£'000	£'000
Profit on ordinary activities before tax	9,061	9,776
	9,061	9,776
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008: 28%)	2,537	2,737
Effects of:		
Expenses not deductible for tax purposes	(12)	59
Depreciation for the period in excess of capital allowances	52	57
Chargeable gain	8	-
Adjustment in respect of foreign tax rates	(37)	-
Effect of change in tax rates (2008 - 30% in first quarter)	-	39
Profit on disposal of fixed assets	(37)	(2)
	2,511	2,890
	2,511	2,890

There were no factors that may affect future tax charges.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE HOLDING COMPANY

The profit attributable to members of the holding company for the year was £5,494,490 (2008: £2,895,112).

The group financial statements do not include a separate profit and loss account for the parent undertaking as permitted by section 408 of the Companies Act 2006.

9. INTANGIBLE FIXED ASSETS – GROUP

	Goodwill on Consolidation	Other Intangibles	Total
	£'000	£'000	£'000
COST			
At 1 January 2009	1,725	248	1,973
Revaluation due to exchange rate movement	-	(8)	(8)
Disposals	-	(62)	(62)
	<hr/>	<hr/>	<hr/>
At 31 December 2009	1,725	178	1,903
AMORTISATION			
At 1 January 2009	1,725	187	1,912
Revaluation due to exchange rate movement	-	(7)	(7)
On disposals	-	(15)	(15)
Charge for the year	-	6	6
	<hr/>	<hr/>	<hr/>
At 31 December 2009	1,725	171	1,896
NET BOOK VALUE			
At 31 December 2009	<hr/> - <hr/>	<hr/> 7 <hr/>	<hr/> 7 <hr/>
<i>At 31 December 2008</i>	<hr/> <i>-</i> <hr/>	<hr/> <i>61</i> <hr/>	<hr/> <i>61</i> <hr/>

The company has no intangible fixed assets.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

10. TANGIBLE FIXED ASSETS – GROUP

	Freehold & Leasehold Land & Buildings £'000	Office Equipment, Fixtures & Fittings £'000	Motor Vehicles £'000	Total £'000
COST				
At 1 January 2009	2,537	6,711	53	9,301
Revaluation due to exchange rate movement	(72)	(42)	-	(114)
Additions	138	514	-	652
Disposals	(89)	(609)	-	(698)
At 31 December 2009	2,514	6,574	53	9,141
DEPRECIATION				
At 1 January 2009	972	4,519	34	5,525
Revaluation due to exchange rate movement	(79)	11	-	(68)
Charge for the year	122	752	5	879
Disposals	(79)	(597)	-	(676)
At 31 December 2009	936	4,685	39	5,660
NET BOOK VALUE				
At 31 December 2009	1,578	1,889	14	3,481
<i>At 31 December 2008</i>	<i>1,565</i>	<i>2,192</i>	<i>19</i>	<i>3,776</i>

The company has no tangible fixed assets

11. INVESTMENTS – COMPANY

COST	Beginning of year £'000	Additions £'000	Disposals £'000	End of year £'000
Group Undertakings	3,111	26	-	3,137
AMOUNTS WRITTEN OFF				
Shares:	Beginning of year £'000	Written off in year £'000		End of year £'000
Group Undertakings	-	-		-
NET BOOK VALUE	3,111			3,137

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

11. INVESTMENTS (Continued)

During the year, the company held the following subsidiary undertakings, trading actively or acting as intermediate holding companies, held directly or indirectly :

NAME OF SUBSIDIARY	EQUITY INTEREST HELD	COUNTRY OF INCORPORATION	NATURE OF BUSINESS
FX Currency Services Limited *	100%	England	Foreign exchange services
Eurochange India Private Limited*	100%	India	Foreign exchange services
Eurochange (Europe) BV	100%	Netherlands	Holding company
Eurochange Hellas SA	77.5%	Greece	Foreign exchange services
Athenian Tourist Enterprises SA	55.1%	Greece	Holding company and foreign exchange services

*Investments which are held directly by the company.

12. STOCKS

	Group	
	2009 £'000	2008 £'000
Currencies and encashed travellers cheques	27,087	31,951

All stocks are held by subsidiary undertakings. The company holds no stock.

13. DEBTORS

	Group		Company	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Trade debtors	2,884	3,039	-	-
Other debtors	305	1,134	-	-
Deferred tax asset	62	49	-	-
Prepayments and accrued income	991	1,037	-	-
	4,242	5,259	-	-

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

14. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	<i>2008</i>	2009	<i>2008</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Bank overdrafts (secured – see below)	-	-	-	-
Trade creditors	17,077	5,030	-	-
Amounts owed to group undertakings	-	-	125	1,095
Corporation tax	613	1,330	-	-
Other taxes and social security	157	177	-	-
Other creditors	771	3,126	-	-
Accruals and deferred income	2,542	4,484	4	3
	<hr/>	<hr/>	<hr/>	<hr/>
	21,160	14,147	129	1,098
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The bank overdrafts are secured by way of a debenture in favour of the group's bankers secured over the assets of certain group undertakings.

15. DEFERRED TAXATION

Deferred Taxation	2009	<i>2008</i>
	£'000	<i>£'000</i>
At 1 January	49	<i>(17)</i>
Credit for the year	13	66
At 31 December	<hr/> 62 <hr/>	<hr/> 49 <hr/>

The deferred tax asset is made up as follows:

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Accelerated Depreciation	62	49
	<hr/> 62 <hr/>	<hr/> 49 <hr/>

All the above amounts relate to subsidiary undertakings. The company has no provisions for liabilities and charges.

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

16. SHARE CAPITAL

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Authorised		
1,000,000 Ordinary shares of £1 each	1,000	<i>1,000</i>
Allotted and called up		
750,000 Ordinary shares of £1 each	750	<i>500</i>

In 2008, a total of 536,603 Ordinary shares of £1 each were in issue, of which 487,799 were fully paid up and the balance of 48,804 were partly paid (25p). On 8 October 2009 a further 213,397 Ordinary shares of £1 each were allotted by way of a bonus issue. £213,397 was capitalised from the Profit and Loss Account.

As at 31 December 2009 a total of 750,000 Ordinary shares are in issue. Of these 701,196 are fully paid and the balance of 48,804 is partly paid.

The company has granted share options to a director of the company, exercisable only on disposal of the company. These options expire in January 2011.

17. PROFIT AND LOSS ACCOUNT

	Group	Company
	£'000	£'000
Retained profits at 1 January 2009	34,423	1,513
Profit for the financial year	6,253	5,495
Exchange loss	(433)	-
Shares issues during the year	(250)	(250)
Dividend Paid	(500)	(500)
Retained profits at 31 December 2009	39,493	6,208

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	<i>2008</i>
	£'000	<i>£'000</i>
Profit for the financial year	6,253	<i>6,584</i>
Exchange (loss)/gain	(433)	<i>943</i>
Prior period adjustment	-	<i>(4)</i>
Dividend Paid	(500)	<i>(2,400)</i>
Net additions to shareholders' funds	5,320	<i>5,123</i>
Opening shareholders' funds	34,923	<i>29,800</i>
Closing shareholders' funds	40,243	<i>34,923</i>

FX CORPORATION PLC AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

19. MINORITY INTERESTS

	£'000
At 1 January 2009	810
Proportion of profit after taxation for the year	310
Other	(345)
At 31 December 2009	775

20. ANALYSIS OF NET FUNDS

	At 1 January 2009 £'000	Cash Flow £'000	Other non cash movements £'000	At 31 December 2009 £'000
Analysis of changes in net funds				
Cash in hand	7,890	18,961	-	26,851
Retranslation of opening balance sheet	943	-	(433)	510
	8,833	18,961	(433)	27,361
DEBT:				
Debt due within one year	-	-	-	-
	8,833	18,961	(433)	27,361

21. CONTINGENT LIABILITIES

The company has provided cross guarantees to its bankers in respect of bank borrowings of UK group undertakings. The company has provided a guarantee in the sum of \$250,000 to a financial institution in respect of a credit facility for supplies made to its subsidiary, Eurochange India Private Limited.

The company therefore has a contingent liability to the extent of bank borrowings under the above facilities. At the year end, this amounted to £Nil (2008: £Nil)

In the opinion of the directors it is highly unlikely that any liability will crystallise.

FX CORPORATION PLC AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

22. REVENUE COMMITMENTS

The amounts payable in the coming year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

	Land and buildings	
	2009	2008
	£'000	£'000
Expiry Date:		
Within one year	44	283
Between two and five years	1,818	1,672
After five years	985	902

23. RELATED PARTY TRANSACTIONS

Within other creditors is an amount of £190 to M. Gini, a director of the company. (2008: £1,000,000).

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party as at 31 December 2009 and 2008 was M. Gini, a director of the company, by virtue of his majority shareholding in FX Corporation Plc's issued share capital.