

Decalog (UK) Limited

Report and Financial Statements

Year ended

31 December 2017

Company Number: 02567370



Decalog (UK) Limited

Report and financial statements for the year ended 31 December 2017

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Decalog (UK) Limited

Directors' report for the year ended 31 December 2017

The directors present their report and the audited financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the company for the year ended 31 December 2017 continued to be that of marketing computer software.

Results and dividends

The company's profit for the financial year amounted to £51,177 (2016: £32,824).

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2017 (2016: £nil) and the profit for the financial year has been transferred to reserves.

Directors

The directors of the company, who held office during the year and up to the date of signing the financial statements, were:

Martin R. Boyd	
Marc M. Mayo	(appointed 16 February 2018)
Michael P. Oates	(resigned 15 February 2018)
Ann M. Vasileff	

Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Decalog (UK) Limited

Directors' report for the year ended 31 December 2017 (continued)

Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

For persons who were directors at the time the report was approved, the following applies:

- as far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors 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 auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

KPMG LLP were appointed as statutory auditors of the Company. Pursuant to s487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report has been prepared in accordance with the special provisions relating to small companies in Part 15 of the Companies Act 2006. In addition, the directors have taken the exemption not to include a strategic report in these financial statements as it is not required.

On behalf of the Board



Ann M. Vasileff
Director

Date: **10 SEP 2018**

Registered Address:
25 Canada Square
London E14 5LQ

Independent Auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DECALOG (UK) LIMITED

Opinion

We have audited the financial statements of Decalog (UK) Ltd ("the company") for the year ended 31 December 2017 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

Independent Auditor's report (continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DECALOG (UK) LIMITED (continued)

- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on pages 1-2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

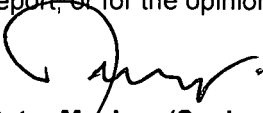
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Meehan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom
[Date]

04 September 2018

Decalog (UK) Limited

Income statement for the year ended 31 December 2017

		2017	2016
	Note	£	£
Revenue	3	<u>598,140</u>	<u>495,008</u>
Gross profit		598,140	495,008
Administration expenses		<u>(550,480)</u>	<u>(453,663)</u>
Operating profit	4	<u>47,660</u>	<u>41,345</u>
Interest receivable and similar income	7	<u>5,348</u>	<u>282</u>
Profit on ordinary activities before taxation		<u>53,008</u>	<u>41,627</u>
Tax on profit on ordinary activities	8	<u>(1,831)</u>	<u>(8,803)</u>
Profit for the financial year		<u>51,177</u>	<u>32,824</u>

There were no items of comprehensive income apart from profit for the financial year.

The notes on pages 8 to 20 form part of these financial statements.

Decalog (UK) Limited

Balance sheet as at 31 December 2017

		2017	2016
	Note	£	£
Fixed assets			
Tangible assets	9	<u>533</u>	<u>923</u>
Current assets			
Debtors	10	<u>792,560</u>	<u>391,013</u>
		<u>792,560</u>	<u>391,013</u>
Creditors: amounts falling due within one year	11	<u>(525,401)</u>	<u>(175,421)</u>
Net current assets		<u>267,159</u>	<u>215,592</u>
Total assets less current liabilities		<u>267,692</u>	<u>216,515</u>
Net assets		<u>267,692</u>	<u>216,515</u>
Capital and reserves			
Called up share capital	14	<u>60,000</u>	<u>60,000</u>
Profit and loss account		<u>207,692</u>	<u>156,515</u>
Total equity		<u>267,692</u>	<u>216,515</u>

The financial statements were authorised for issue by the Board of Directors on and were signed on its behalf.

10 SEP 2018



Ann M. Vasileff
Decalog (UK) Limited
Registered number: 02567370

The notes on pages 8 to 20 form part of these financial statements.

Decalog (UK) Limited

Statement of changes in equity for the year ended 31 December 2017

2017

	Called up share capital £	Profit and loss account £	Total equity £
1 January 2017	60,000	156,515	216,515
Profit for the financial year	-	51,177	51,177
Total comprehensive income for the financial year	-	51,177	51,177
31 December 2017	60,000	207,692	267,692

2016

	Called up share capital £	Profit and loss account £	Total equity £
1 January 2016	60,000	123,691	183,691
Profit for the financial year	-	32,824	32,824
Total comprehensive income for the financial year	-	32,824	32,824
31 December 2016	60,000	156,515	216,515

The notes on pages 8 to 20 form part of these financial statements.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017

1 Accounting policies

Decalog (UK) Limited (the "company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 02567370 and the registered address 25 Canada Square, London, E14 5LQ, United Kingdom.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements as issued in August 2014. The amendment to FRS 102 issued in July 2015 has been applied.

A summary of the more significant accounting policies, which have been applied consistently, is set out below:

(a) Basis of accounting

These financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

(b) Exemptions for qualifying entities under FRS 102

The Company's ultimate parent undertaking, Fidelity National Information Services, Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of Fidelity National Information Services, Inc. are prepared in accordance with U.S. Generally Accepted Accounting Principles and are available to the public and may be obtained from 601 Riverside Avenue, Jacksonville, FL 32204. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- No cash flow statement has been presented as the ultimate parent company, Fidelity National Information Services, Inc., includes the company's cash flows in its own consolidated financial statements;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in the parent company's financial statements; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

(c) Foreign currency

The company's functional and presentation currency is the pound sterling. Income and expenses denominated in foreign currencies are translated at the spot rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling on the balance sheet date. The gains or losses on translation are recorded in the income statement.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(d) Revenue recognition

The company recognises service revenue, payable based upon 110% of the expenses incurred by the company, when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity; and (e) when the specific criteria relating to each of the sales have been met.

The company provides sales, marketing, customer support, product development and management, financial administration consultancy and production support services to other companies. Revenue is recognised in the accounting period in which the services are rendered when the outcome of the contract can be estimated reliably.

Interest income is recognised using the effective interest rate method.

(e) Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including wages and salaries, annual bonus, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

Contributions are made to a defined contribution pension scheme operated by FIS Systems Limited (a group company). A defined contribution plan is a pension plan under which the company pays fixed contributions to a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due, as detailed in note 13.

(f) Share-based payments

The company participates in a share-based payment arrangement established by a group company. The company recognises the share-based payment expense based on its share of the group's total expense, calculated as the actual cost incurred of the company participating employees. As this amount is also what the company is charged by the other group company for the awards made to the company's employees, the corresponding credit is recognised as a payable to that group entity. Further details are set out in note 6.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(g) Taxation

Taxation expense comprises the current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are measured on a non-discounted basis.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws enacted or substantively enacted at the balance sheet date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Timing differences arise when items of income and expenditure are included in tax computations in periods which are different to their inclusion in the financial statements. Except as otherwise required by accounting standards, full provision without discounting is made for all deferred taxation timing differences which have arisen but not reversed at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that it will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the balance sheet date.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(h) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Plant and machinery and fixtures, fittings, tools and equipment

Plant and machinery and fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and residual values

Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual value over their estimated useful lives, as follows:

Computer equipment	-	3-5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(j) Provisions and contingencies

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised in the financial statements. However, when the flow of economic benefits associated with a contingent asset becomes virtually certain the asset meets the asset recognition criteria and is recognised.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(k) Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

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

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment had not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction (such as bank loans and overdrafts), where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(I) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements, the directors have made the following judgement:

- Determination of whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of uncertainty

Tangible assets (see note 9)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, they are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

3 Revenue

Geographical analysis of revenue by destination:

	2017	2016
	£	£
Rest of Europe	598,140	495,008
	<u>598,140</u>	<u>495,008</u>

Analysis of revenue by classes of continuing business:

	2017	2016
	£	£
Service fees	598,140	495,008
	<u>598,140</u>	<u>495,008</u>

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

4 Operating profit

Operating profit is stated after charging/(crediting):

	Note	2017 £	2016 £
Wages and salaries		381,414	303,434
Social security costs		39,279	23,700
Other pension costs	13	22,964	17,642
Cost of employee share schemes	6	21,741	7,991
Staff costs (including directors)		465,398	352,767
Depreciation of tangible fixed assets	9	390	716
Foreign exchange losses/(gains)		7,487	(20,955)
Auditor's remuneration for audit services		6,152	5,921

5 Employees and directors

Employees

The monthly average number of persons (including executive directors) employed by the company during the year was:

By activity	2017 Number	2016 Number
Sales and distribution	1	1
Development	2	1
	3	2

Directors

No emoluments were paid in the year ended 31 December 2017 to the directors of Decalog (UK) Limited (2016: £nil). The directors are employees of Fidelity National Information Services, Inc. or other group companies and are remunerated for their services to the group as a whole.

6 Share-based payments

The company is part of a group share based payment plan, under which its employees and directors are awarded shares and options for their service to the company in the ultimate parent company Fidelity National Information Services, Inc.

Historically SunGard has had a discretionary shared based payment scheme settled by way of SunGard Stock (not cash), eligible for key personnel integral to the success of SunGard. On acquisition by FIS, all legacy SunGard Class A shares were cancelled for nil consideration. All vested RSUs were settled by the merger defined mix of cash and FIS shares. The unvested RSUs at that time were exchanged for unvested FIS RSUs in accordance with the merger agreement.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

6 Share-based payments (continued)

As at 31 December 2017 the company has the following share based payments scheme in relation to the legacy SunGard schemes;

- **Converted SunGard RSUs** – there will be no further RSUs of this type granted.
The schemes are subject to time-based conditions only.
The converted RSU's kept their original vest dates from their date of grant.

In addition, during 2016 and 2017 a further 2 types of equity instruments were granted on 29 March 2016 and 29 March 2017 in FIS Stock;

- **RSAs** – These are restricted stock awards which have voting rights and accrue dividends which pay out when performance criteria is met.
- **Options** – These are non-qualified stock options.

Grant date	Method of settlement	Number of instruments	Vesting conditions	Contractual life of obligations
Converted RSUs – 1 June 2015	Equity	419	3 years' service	n/a
RSAs – 29 March 2016	Equity	264	Performance condition (*) & 3 years' service	n/a
Options – 29 March 2016	Equity	1,808	Performance condition (*) & 3 years' service	7 years
RSAs – 29 March 2017	Equity	312	Performance condition (*) & 3 years' service	n/a
Options – 29 March 2017	Equity	1,964	Performance condition (*) & 3 years' service	7 years

(*) One-third of the Restricted Stock/ Options can be earned based on company performance in each of the calendar years 2017, 2018 and 2019 (previous year - 2016, 2017 and 2018). In order for the Restricted Stock/ Options to be earned, the Compensation Committee of the Board of Directors of the Company (the "Committee") must determine that the Company has achieved the performance restriction based on an EBITDA measurement, in each of the three calendar years, 2017, 2018 and 2019 (previous year - 2016, 2017 and 2018), independent of each other. The Committee will evaluate whether the Performance Restriction has been achieved following the completion and filing of the Annual Report on Form 10-K with the SEC for each of the years 2017, 2018 and 2019 (previous year - 2016, 2017 and 2018).

The company is a member of a group share based payment plan, and it recognises its share based payment expense on the basis of a reasonable allocation of the expense recognised for the group. The basis for the reasonable allocation is the actual cost incurred by the ultimate parent for vested awards to the employees and directors of this company during the year. The charge for 2017 was £21,741 (2016: £7,991).

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

7 Interest

	2017 £	2016 £
Interest receivable and similar income		
Cash pooling interest receivable	5,348	282
	<u>5,348</u>	<u>282</u>

8 Tax on profit on ordinary activities

Tax expense included in income statement:

	2017 £	2016 £
<i>UK corporation tax</i>		
Current tax on profits of the year	10,178	8,322
Adjustments in respect of prior years	(8,322)	453
Total current tax	<u>1,856</u>	<u>8,775</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	49	27
Adjustments in respect of prior years	(74)	1
	<u>(25)</u>	<u>28</u>
Taxation of profit on ordinary activities	<u>1,831</u>	<u>8,803</u>

Reconciliation of tax charge:

The tax assessed for the year is lower (2016: higher) than the standard rate of corporation tax in the United Kingdom applied to profit before tax. The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	53,008	41,627
Profit on ordinary activities at the standard rate of corporation tax in the United Kingdom of 19.25% (2016: 20%)	10,205	8,325
Effects of:		
Expenses not deductible for tax purposes	29	-
Adjustments in respect of prior years	(8,396)	454
Changes in statutory rates	(7)	24
Tax charge for the year	<u>1,831</u>	<u>8,803</u>

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

8 Tax on profit on ordinary activities (continued)

The rate of taxation is expected to follow the standard rate of UK corporation tax in current and future periods. At the balance sheet date, the Finance Act 2016 had been enacted confirming that the main UK corporation tax rate will reduce to 19% from 1 April 2017 and to 17% from 1 April 2020.

These changes had been enacted at the balance sheet date and the effects are therefore included in these financial statements.

9 Tangible assets

	Computer equipment £
<i>Cost</i>	
At 1 January 2017	4,359
Additions	-
At 31 December 2017	4,359
<i>Accumulated depreciation</i>	
At 1 January 2017	3,436
Charge for the year	390
At 31 December 2017	3,826
<i>Net book value</i>	
At 31 December 2017	533
At 31 December 2016	923

10 Debtors

	2017 £	2016 £
Amounts owed by group undertakings	136,551	210,222
Other debtors	-	285
Loans owed by group undertaking	655,573	180,095
Deferred tax asset (note 12)	436	411
	792,560	391,013

All amounts shown under debtors fall due for payment within one year.

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

10 Debtors (continued)

Loans owed by group undertakings of £655,573 (2016: £180,095) relate to an unsecured revolving cash pooling arrangement first agreed on 30 June 2011 and amended on 12 July 2013. Under such arrangement interest accrued on a daily basis and was payable on 31 December each year, unless agreed otherwise. The applicable rate of interest was equal to the Bank of England base rate minus 25 basis points. During 2015 and up to 4 August 2016 the rate applied was 0.25%, from 4 August 2016 the rate became 0%. On 7 November 2016, the rate in effect was 3% to reflect the rate charged by the Bank of America on loans owed by group undertaking. On 13 November 2017, the pooling arrangement in respect of the company was amended again. Under the amended arrangement, with effect from 22 November 2017, interest accrues on a daily basis and is payable monthly on such interest payment date as may be determined by the Pool Header acting in a commercially reasonable manner (or by the company's bank under any interest reallocation arrangement or similar). The interest rate remained at 3%.

All other amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts owed to group undertakings	409,762	89,164
Corporation tax	10,178	8,322
Accruals and deferred income	102,447	77,935
Trade creditors	48	-
Other taxation and social security	2,966	-
	<u>525,401</u>	<u>175,421</u>

All amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12 Deferred tax asset

Amounts recognised in respect of deferred tax are as follows:

	2017	2016
	£	£
Accelerated depreciation	<u>436</u>	<u>411</u>

Analysis of movement in the deferred tax asset is as follows:

	2017	2016
	£	£
At 1 January	411	439
Transferred to the income statement (note 8)	25	(28)
At 31 December	<u>436</u>	<u>411</u>

Decalog (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

13 Post-employment benefits

Defined contribution scheme

The amount recognised as an expense for the defined contribution scheme is £22,964 (2016: £17,642).

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge to the income statement of £22,964 (2016: £17,642) represents the contributions payable to the pension scheme in respect of the accounting year.

Any outstanding or prepaid contributions are borne by FIS Systems Limited which is the group operator for the scheme.

14 Called up share capital

	2017 £	2016 £
<i>Allotted and fully paid</i>		
60,000 (2016: 60,000) ordinary shares at £1 each	<u>60,000</u>	<u>60,000</u>

15 Controlling parties

The directors regard FIS UK Holdings Limited, a company registered in England and Wales, as the immediate parent company.

Fidelity National Information Services, Inc., a company incorporated in the United States of America, is the undertaking that heads the smallest and largest group of companies for which consolidated financial statements are prepared. The directors consider Fidelity National Information Services, Inc. to be the ultimate controlling party and ultimate parent company.

Copies of the financial statements of Fidelity National Information Services, Inc. can be obtained from 601 Riverside Avenue, Jacksonville, Florida 32204, USA.