eNett International (UK) Limited

Company Registration No. 2509464

Annual Report and Financial Statements
for the year ended - 31 December 2020

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Date of incorporation	6 June 1990
Company secretary	Erica Martin
Directors	Edward Chandler (ceased 18 March 2021) Peter Golby (ceased 18 March 2021) Anthony Hynes (appointed 18 March 2021) Hilary Rapkin (appointed 18 March 2021) Roberto Simon (appointed 18 March 2021)
Registered office	One Kingdom Street 2nd Floor Paddington, London, W2 6BD United Kingdom
Principal place of business	One Kingdom Street 2nd Floor Paddington, London W2 6BD United Kingdom
Auditor	Deloitte LLP Four Brindleyplace Birmingham B1 2HZ United Kingdom
Primary banker	Citibank N.A. Citigroup Centre Canada Square, Canary Wharf London E14 5LB United Kingdom

eNett International (UK) Limited
Directors' report
31 December 2020

The directors of eNett International (UK) Limited (the "Company") present the annual report and audited financial statements for the year ended 31 December 2020. The Company has taken the exemption as a small company and has not prepared a strategic report, in accordance with Section 414B of the Companies Act 2006.

Directors
The following persons were directors of eNett International (UK) Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Peter Golby (resigned 18 March 2021)
Edward Chandler (resigned 18 March 2021)
Anthony Hynes (appointed 18 March 2021)
Hilary Rapkin (appointed 18 March 2021)
Roberto Simon (appointed 18 March 2021)

Company secretary
The company secretary is Erica Martin.

Principal activities
The principal activity of the Company is to provide support services to the parent entity eNett International (Singapore) Pte. Ltd. ("Parent") for customer support and other operational and administrative business functions for its virtual cards and other products. During the year of operation, the Company played a role in business development and customer support on behalf of the Parent with its sole income stream stemming from its agreement with the Parent in the provision of these services, which entails a share of profits or losses of the Parent entity operations.

The principal activities of the Parent, along with eNett International (Jersey) Limited (the immediate Parent of eNett International (Singapore) Pte. Ltd.) and the other entities it controls (the "eNett group"), are the development, implementation and operation of innovative payment and settlement processes focusing on the global travel industry.

The primary products provided by the Parent include the utilisation of virtual and physical credit cards to facilitate payment obligations.

The eNett group currently operates globally.

Business review
The loss for the year ended 31 December 2020 for the Company after providing for income tax amounted to £3,979,107 (2019: £849,733 in profit). The Company has net current liabilities of £1,321,886 (2019: Net current assets of £1,648,102) and has negative equity of £341,905 (2019: Equity of £2,788,170) with no dividends declared during the year (2019: £7,000,000).

During the year, the progressive spread of the novel strain of COVID-19 Coronavirus (the "Coronavirus") to multiple countries had a significant impact to the financial performance of the Parent and therefore the Company. This is further outlined under 'Significant change in affairs'.

Significant change in affairs

Acquisition of eNett International (Jersey) Limited and its subsidiaries and Optal Limited and its subsidiaries by WEX Inc.

On 24 January 2020, the Board of directors of eNett International (Jersey) Limited ("eNett Jersey") unanimously approved entry into a definitive agreement with WEX Inc ("WEX") (a company registered with the U.S. Security and Exchange Commission and incorporated in the state of Delaware in the United States of America) for the acquisition of all the issued shares (either directly or indirectly) in eNett Jersey and its subsidiaries (the "Transaction"). The Transaction also included the acquisition of Optal Limited and its subsidiaries ("Optal"). At the time, Optal was a non-majority shareholder of the eNett group and is the primary issuer of the eNett group's virtual credit cards.

Pursuant to the terms of the agreement, WEX were to acquire the eNett group and Optal for a total consideration of approximately US$1.7 billion, comprising approximately US$1.275 billion in cash and approximately two million shares of WEX common stock. The WEX common stock issued in connection with the transaction was valued at approximately US$425 million, based on WEX's volume-weighted average price over the 30 trading days prior to signing the definitive agreement.

On 7 May 2020, WEX reported that it had concluded that the COVID-19 pandemic and conditions arising in connection with it have had, and continue to have, a material adverse effect on the businesses of the eNett group and Optal, and that because of this material adverse effect, WEX had advised eNett Jersey and Optal that it is not required to close the Transaction pursuant to the terms of the Purchase Agreement. Also, on 7 May 2020, Travelport Limited (eNett Jersey's former controlling shareholder), eNett Jersey and Optal issued a statement rejecting WEX's attempt to walk away from the Purchase Agreement and stating that they intended to vigorously enforce their contractual rights and to hold WEX to its promises under the Purchase Agreement.

On 12 October 2020, the Commercial Court, Queen's Bench Division of the High Court of Justice of England and Wales published its ruling on certain preliminary issues relating to the complaint filed against WEX by the shareholders of eNett Jersey and Optal. The Court's decision on one of the identified preliminary issues, was that there is no Travel Payments Industry, and the shareholders of eNett Jersey and Optal subsequently submitted a request to the Court of Appeal for permission to appeal that issue. The Court's decision on one of the other identified preliminary issues was that changes in law or regulation cannot be relied upon to establish that a "Material Adverse Effect" has occurred. WEX had submitted a request to the Court of Appeal for permission to appeal that issue.

On 15 December 2020, following a period of negotiation, WEX completed the Transaction and became the ultimate parent with 100% controlling interest in the eNett group. An amended Purchase Agreement was executed by all parties and WEX paid a total consideration of US$577.5 million for both eNett Jersey and Optal, which was funded from cash on hand. Additionally, contemporaneously with the completion of the Transaction, WEX and the former shareholders of eNett Jersey and Optal have agreed to a full and final settlement of the litigation pending in the English courts relating to the Purchase Agreement.

Immediately prior to the Transaction, eNett Jersey awarded a transaction bonus of USD$1.00 per D-class option in recognition of the value that each D-class option holder contributed to the eNett group and on the basis of the exercise price for all D-class options being less than the redeemable price per D-class share in eNett Jersey; and eNett Jersey subsequently cancelled all outstanding vested and unvested D-class options previously granted. As a result of this, the Company paid a transaction bonus of £355,832 to current and former employees of the Company who held D-class Options in eNett Jersey.

The completion of the Transaction also required the cancellation of 172,085 Series 1 and 104,586 Series 2 outstanding awards held by current and former employees of the Company under the Cash-settled share appreciation rights plan ("Phantom Share") in exchange for a cash amount per share equal to the value of the class C no par value redeemable shares in the capital of the Company underlying the Phantom Share award, less the applicable Phantom Share exercise price, for an aggregate consideration of £1,493,771. Renegotiation of the Transaction consideration resulted in a cash-settled share-based payment credit for the year of £2,508,207 (2019: cash-settled share-based payment expense £3,790,494).

The Coronavirus outbreak

The Coronavirus progressive spread to multiple countries and continents throughout the world during the year caused a global pandemic which in turn lead to significant restrictions on global travel and reductions in leisure and airline booking volumes with countries closing their borders and imposing prolonged quarantines and other travel restrictions. The impact of the Coronavirus caused a significant decrease in the Parent's revenue from the operation of payment settlement processes for travel agents and travel wholesalers. A steady recovery towards historical revenues is expected as and when individual countries ease restrictions on domestic and international travel, and we anticipate the easing of such restrictions to be largely consistent with the relevant success by countries in containing the spread of the virus outbreak and the rollout of vaccines. Whilst some recovery impact from the easing of certain regional restrictions has already been seen with stabilising of volumes and some domestic and a low-level of international flights recommencing; the recovery profile remains somewhat unknown as individual countries may release, adjust, or reimpose restrictions on domestic and international travel.

As outlined above under the section 'Principal activities', the principal activity of the Company is to provide support services to the parent entity eNett International (Singapore) Pte. Ltd. ("Parent") for customer support and other operational and administrative business functions for its virtual cards and other products. The Company's sole income stream stemming from its agreement with the Parent in the provision of these services is proportionate share of the profits or losses of the Parent entity operations. Given the impact of the pandemic, during the year the Company received an overall share of losses of £3,328,570 (2019: overall share of profit £10,685,842). The assessment of the Company's ability to continue as a going concern is discussed further in this Directors report on page 5.

There were no other significant changes in the state of affairs of the Company during the financial year.

Likely developments and expected results of operations
The directors expect to see reduced revenues as a result of the downturn in travel booking volumes primarily due to the Coronavirus outbreak, of which the duration is somewhat unknown, therefore affecting the financial performance of the Parent and therefore the Company. The directors have assessed the ability and intention of WEX Inc. to provide continuing support if and as necessary (which includes having a letter of support in place over the Company) and believe that the Company has access to adequate financial resources to continue in operational existence for at least 12 months from the date of signing these financial statements. For this reason, the directors are of the opinion that the necessary financial support will be provided to allow the Company to maintain its operations as a going concern.

Principal risks and uncertainties
The principal risks and uncertainties related to financial risks are detailed in note 25 to the financial statements and include market risk, foreign currency risk, credit risk and liquidity risk. Non-financial risks and uncertainties of the eNett group are detailed below.

Cyber risk
The eNett group is exposed to cyber security risk due to the digital nature of its business and the growing sophistication of attackers. Any adverse security breach may impact that amount of revenue generated by the Company in providing its support services to the Parent. WEX Inc. has a dedicated Chief of Information Security and team to monitor cyber security risk within the eNett group and with external service providers. Group-wide security initiatives in place focus on identifying security vulnerabilities and ongoing security education.

Technology continuity
The services provided to the eNett group's customers through the use of the eNett payments platform services must have high availability and uninterrupted service. Any adverse disruption to availability may impact the amount of revenue generated by the Company in providing its support services to the Parent. The eNett group implements an ongoing Platform Health Program to monitor platform resilience capabilities with its key service provider and geographic disaster recovery capabilities are continuously being improved, along with platform stability and scalability.

Political or economic risks
The directors highlight the potential impact on business conditions worldwide as a result of political decisions, including the United Kingdom's ("U.K.") decision to withdraw from the European Union ("E.U.") on 31 January 2020. The withdrawal of the U.K. from the E.U. could significantly affect the fiscal, monetary and regulatory landscape within the U.K., including licensing. Furthermore, there is uncertainty as to the operation and application of relevant tax laws in the context of the withdrawal agreement scenarios.

The eNett group have previously put in place appropriate planning and diligence in anticipation of the exit by the U.K. from the E.U, and have actioned items to ensure the business can fulfil the needs of its customers and stakeholders to continue operations in the E.U. customs union.

Risks associated with public health crises and epidemics/pandemics, such as the Coronavirus
Our global operations expose us to risks associated with public health crises and epidemics/pandemics, such as the Coronavirus. Such public health crises and epidemics/pandemics can cause significant disruption to global travel with the imposition of government restrictions and prolonged quarantines to ensure passenger safety and to restrict the spread of any outbreak. As a provider of customer support and other operational and administrative business functions for the Parent's virtual cards and other products; the revenue stream of the Company is directly impacted.

As a result of the Coronavirus pandemic, the financial impact has been significant for our business, as it has been for many industries and in particular the travel payments industry in which we operate. However, the eNett group has low financial asset risk, and is well prepared to ensure the continued operations of its product offerings during this time, whilst ensuring its workforce are protected as much as possible and are fully able to work effectively whilst remotely away from its usual operational sites.

Regulatory environment
The Group operates in a complex regulatory environment, with continued introduction of new regulations in existing markets and regulatory constraints in new markets. Ongoing compliance with these regulations is managed through WEX's compliance team, which identifies regulatory requirements in each jurisdiction for active monitoring. The program is supported by a network of legal advisers in the jurisdictions in which the Group operates.

Environmental regulation
The Company is not subject to any significant environmental regulation.

Charitable and Political donations
No charitable or political contributions were made by the Company during the financial year ended 31 December 2020 (2019: £nil).

Indemnity and insurance of officers
Directors' indemnity insurance cover has been established for all Directors of the company. These indemnities, which constitute a qualifying third-party indemnity provision were in force during the year and remain in force as at the date of this report.

Matters subsequent to the end of the financial year

Decision by eNett International Singapore Pte. Ltd. to consolidate its virtual card payments processing service with WEX Inc.'s existing technology capabilities

During the first quarter of 2021, eNett International Singapore Pte. Ltd. (a related party and wholly owned subsidiary of eNett Jersey), which is the Company's sole customer for revenue received from the provision of services for customer support and other operational and administrative business functions for its virtual cards and other products, decided that it will consolidate its virtual card technology within WEX Inc.'s existing technology capabilities. The expected time frame to complete this is approximately two years. The WEX Inc. group is committed to providing a world-class experience to customers through innovative technology, strong partnerships, and outstanding customer service, however, the decision to consolidate eNett International Singapore Pte. Ltd. virtual card technology with that of WEX Inc. is to ensure that the wider WEX Inc. group is at the forefront on creating cloud-first technology, whilst standardising its processes and platforms where appropriate. An estimate of the financial effect to the Company of the proposed change cannot be reliably made at this stage as the process will take a number years and is likely to include further corporate restructuring as integration progresses. Meanwhile, for the foreseeable future, the principal activities of the Company will continue to focus on the provision of services related customer support and other operational and administrative business functions, to support the implementation and operation of innovative payment and settlement processes focusing on the global travel industry.

Revolving intercompany loan agreement entered into by the Company and Wright Express International Holdings Ltd

On 13 May 2021, the Company entered into a revolving intercompany loan agreement with Wright Express International Holdings Ltd (a related company) for £18,000,000 in order to assist with working capital purposes. The maturity of the loan is 13 May 2026, with an interest rate set at GBP 1-month LIBOR + 2.50% along with a commitment fee of 0.50% on the maximum revolving loan amount less the daily outstanding loan balance. Interest accrues daily and is payable on a quarterly basis. Principle is payable on maturity and can be repaid earlier without penalty or premium and may funds can be re-borrowed loans up to the applicable revolving loan amount. On 13 May 2021, a drawdown on the revolving loan was made for £7,112,121.60.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial periods.

Dividends
There were no dividends paid, recommended or declared during the current financial year.

	2020 £	2019 £
Ordinary shares	-	7,000,000

Going concern
The sole revenue stream for the Company stems from its agreement with the Parent to provide support services for customer support and other operational and administrative business functions for its virtual cards and other products. The reward for providing such services to the Parent is a proportionate share of profits or losses of the Parent entity operations.

Whilst the directors expect to see reduced revenues as a result of the downturn in travel booking volumes primarily due to the Coronavirus outbreak, having assessed the ability and intention of WEX Inc. to provide continuing support if and as necessary (which includes having a letter of support in place) to the Company; the directors believe that the Company has access to adequate financial resources to continue in operational existence for at least 12 months from the date of signing these financial statements. For this reason, the directors are of the opinion that the necessary financial support will be provided to allow the Company to maintain its operations as a going concern.

Further details regarding the adoption of the going concern basis can be found in note 3.3 Significant accounting policies in the Notes to the financial statements.

Auditor
Deloitte LLP has indicated its willingness to be reappointed for another term and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Disclosure of information to the auditors
So far as each person who was a director at the date of approving this report is aware; there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved on behalf of the board of directors and authorised for issue:

Anthony Hynes
Director

Hilary Rapkin
Director

3 June 2021

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Approved on behalf of the board of directors and authorised for issue:

Anthony Hynes	Hilary Rapkin
Director	Director

3 June 2021

The directors are responsible for preparing the annual 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 the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and the Companies Act 2006 ("the Act"). 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of eNett International (UK) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit or loss and other comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the notes to the financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's *responsibilities for the audit of the financial statements section of our report.*

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house and external] legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters 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 the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.

S. Cumberbatch.

Stewart Cumberbatch, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory auditor
Birmingham, United Kingdom

Date: 4 June 2021

eNett International (UK) Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2020

	Note	2020 £	2019 £
Revenue			
Revenue	5	(3,328,570)	10,685,842
Expenses			
Administration expenses	6	(1,084,397)	(8,561,143)
Other expenses	7	(530,972)	(1,002,649)
Total expenses		(1,615,369)	(9,563,792)
Operating (loss)/profit		(4,943,939)	1,122,050
Interest income		6,577	190,231
Finance cost	8	(25,791)	(34,562)
(Loss)/Profit before income tax benefit/(expense)		(4,963,153)	1,277,719
Income tax benefit/(expense)	28	984,046	(427,986)
(Loss)/Profit after income tax benefit/(expense) for the year attributable to the owners of eNett International (UK) Limited		(3,979,107)	849,733
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of eNett International (UK) Limited		(3,979,107)	849,733

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

eNett International (UK) Limited
Statement of financial position
As at 31 December 2020

	Note	2020 £	2019 £
Assets			
Current assets			
Cash and cash equivalents	10	1,294,572	5,994,875
Trade and other receivables	11	-	1,803,947
Current tax asset	20	1,141,857	-
Other current assets	21	124,041	152,419
Total current assets		2,560,470	7,951,241
Non-current assets			
Property, plant and equipment	13	74,878	114,709
Right-of-use assets	12	365,090	518,944
Intangible assets	14	-	1,272
Deferred tax asset	22	757,059	893,532
Total non-current assets		1,197,027	1,528,457
Total assets		3,757,497	9,479,698
Liabilities			
Current liabilities			
Trade and other payables	15	3,661,601	5,396,875
Lease liabilities	17	180,412	174,250
Current tax payable	23	-	689,327
Provisions	16	40,343	42,687
Total current liabilities		3,882,356	6,303,139
Non-current liabilities			
Lease liabilities	17	164,246	335,589
Provisions	16	52,800	52,800
Total non-current liabilities		217,046	388,389
Total liabilities		4,099,402	6,691,528
Net (liabilities)/assets		(341,905)	2,788,170
Equity			
Issued capital	19	2	2
Share-based payment contribution reserve		958,824	109,792
(Accumulated losses)/Retained profits		(1,300,731)	2,678,376
Total equity		(341,905)	2,788,170

The financial statements are approved, authorised for issue and signed on behalf of board of directors.

Anthony Hynes
Director

Hilary Rapkin
Director

3 June 2021

The above statement of financial position should be read in conjunction with the accompanying notes

eNett International (UK) Limited
Statement of financial position
As at 31 December 2020

	Note	2020 £	2019 £
Assets			
Current assets			
Cash and cash equivalents	10	1,294,572	5,994,875
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Other current assets	21	124,041	152,419
Total current assets		2,560,470	7,951,241
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Property, plant and equipment	13	74,878	114,709
Right-of-use assets	12	365,090	518,944
Intangible assets	14	-	1,272
Deferred tax asset	22	757,059	893,532
Total non-current assets		1,197,027	1,528,457
Total assets		3,757,497	9,479,698
Liabilities			
Current liabilities			
Trade and other payables	15	3,661,601	5,396,875
Lease liabilities	17	180,412	174,250
Current tax payable	23	-	689,327
Provisions	16	40,343	42,687
Total current liabilities		3,882,356	6,303,139
Non-current liabilities			
Lease liabilities	17	164,246	335,589
Provisions	16	52,800	52,800
Total non-current liabilities		217,046	388,389
Total liabilities		4,099,402	6,691,528
Net (liabilities)/assets		(341,905)	2,788,170
Equity			
Issued capital	19	2	2
Share-based payment contribution reserve		958,824	109,792
(Accumulated losses)/Retained profits		(1,300,731)	2,678,376
Total equity		(341,905)	2,788,170

The financial statements are approved, authorised for issue and signed on behalf of board of directors.

Anthony Hynes
Director

Hily Rapkin
Hilary Rapkin
Director

3 June 2021

The above statement of financial position should be read in conjunction with the accompanying notes

eNett International (UK) Limited
Statement of changes in equity
For the year ended 31 December 2020

	Issued capital £	Share-based payments contribution Reserves £	(Accumulated losses)/ retained profits £	Total equity £
Balance at 1 January 2019	2	90,112	8,828,643	8,918,757
Profit after income tax expense for the year	-	-	849,733	849,733
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	849,733	849,733
Transactions with owners in their capacity as owners:				
Share-based payments (note 18)	-	19,680	-	19,680
Dividends paid (note 24)	-	-	(7,000,000)	(7,000,000)
Balance at 31 December 2019	2	109,792	2,678,376	2,788,170

	Issued capital £	Share-based payments contribution Reserves £	(Accumulated losses)/ retained profits £	Total equity £
Balance at 1 January 2020	2	109,792	2,678,376	2,788,170
Loss after income tax benefit for the year	-	-	(3,979,107)	(3,979,107)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,979,107)	(3,979,107)
Transactions with owners in their capacity as owners:				
Share-based payments (note 18)	-	849,032	-	849,032
Balance at 31 December 2020	2	958,824	(1,300,731)	(341,905)

The above statement of changes in equity should be read in conjunction with the accompanying notes

eNett International (UK) Limited
Statement of cash flows
For the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
(Loss)/Profit before income tax benefit/(expense) for the year		(4,963,153)	1,277,719
Adjustments for:			
Net loss on disposal of property, plant and equipment		175	88
Interest income		(6,577)	(190,231)
Equity-settled share-based payment expense	6	849,032	19,680
Depreciation and amortisation	7	45,821	47,179
Depreciation - right-of-use assets	7	160,660	156,454
Finance costs	8	25,791	34,562
Operating cash flows before movements in working capital		(3,888,251)	1,345,451
Change in operating assets and liabilities:			
Decrease/(increase) in trade and other receivables	11	1,803,947	(50,004)
Decrease/(increase) in other current assets	21	28,378	(46,515)
Income tax paid		(710,666)	(1,135,448)
(Decrease)/increase in trade and other payables	15	(1,735,274)	4,045,718
(Decrease)/increase in other provisions	16	(2,344)	42,687
Net cash (used in)/from operating activities		(4,504,210)	4,201,889
Cash flows from investing activities			
Payments for property and equipment	13	(4,892)	(43,846)
Payments for intangible assets	14	-	(4,404)
Interest income		6,577	190,231
Net cash from investing activities		1,685	141,981
Cash flows from financing activities			
Dividends paid	24	-	(7,000,000)
Repayment of lease liabilities		(171,987)	(165,558)
Finance costs	8	(25,791)	(34,562)
Net cash used in financing activities		(197,778)	(7,200,120)
Net decrease in cash and cash equivalents		(4,700,303)	(2,856,250)
Cash and cash equivalents at the beginning of the financial year		5,994,875	8,851,125
Cash and cash equivalents at the end of the financial year	10	1,294,572	5,994,875

All changes in liabilities arising from financing activities arise from changes in cash flows, apart from £25,791 of lease liabilities interest expense, as shown in note 8.

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

eNett International (UK) Limited (the "Company"), is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Company is a wholly owned subsidiary of eNett International (Singapore) Pte. Ltd (the "Parent").

On 15 December 2020, WEX Inc. "("WEX") completed the acquisition of all the issued shares in eNett International (Jersey) Limited (the immediate Parent of eNett International (Singapore) Pte. Ltd.), both directly and indirectly, to become the ultimate parent of the Company (the "Transaction"), with 100% controlling interest eNett International (Jersey) Limited, and its subsidiaries (the "eNett group"). As part of the Transaction, WEX acquired all the issued shares in Optal Limited (a company incorporated in the United Kingdom), whom had a 23.54% controlling interest in the eNett group as at balance sheet date.

Prior to the Transaction, the eNett group was controlled by Travelport Limited (a company incorporated in Bermuda) who had a 68% controlling interest, along with Optal Limited with a 21% ownership. The remaining 11% was held by participants of the employee share plan of the eNett group. Travelport Limited's ultimate parents at the time of the Transaction were affiliates of Siris Capital Group, LLC and Evergreen Coast Capital Corp.

The address of the Company's registered office is disclosed on page 3. The principal activities of the Company are disclosed in the directors' report.

Note 2. Application of new and revised international financial reporting standards (IFRS)

New and revised IFRS that are effective for the future period
At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS that have been issued but are not yet effective.

IFRS 17	Insurance contracts
IFRS 10 and IAS 28 (amendments)	Sale or contribution of assets between an investor and its associate or joint venture
Amendments to IAS 1	Classification of liabilities as current or non-current
Amendments to IFRS 3	Reference to the conceptual framework
Amendments to IAS 16	Property, plant and equipment - Proceeds before intended use
Amendments to IAS 37	Onerous contracts – Cost of fulfilling a contract
Annual Improvements to IFRS Standards 2018-2020 Cycle	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The directors do not expect that the adoption of the IFRS listed above will have a material impact on the financial statements of the Company in future periods.

New IFRS Standards that are effective for the current year
In the current year, the Group has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards
The Group has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

Amendments to IFRS 3 Definition of a business
The Group has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

Note 2. Application of new and revised international financial reporting standards (IFRS) (continued)

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

Amendments to IAS 1 and IAS 8 Definition of material
The Group has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

Note 3. Significant accounting policies

The following Accounting Standards and Interpretations are most relevant to the Company.

3.1 Statement of compliance
The financial statements have been prepared in accordance with IFRS as issued by the IASB and Interpretations issued by the International Financial Reporting Interpretations Committee of the IASB.

3.2 Basis of preparation
The financial statements have been prepared on the historical cost basis except where disclosed in these notes to the financial statements. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies are set out below.

3.3 Going concern
The financial statements have been prepared on a going concern basis as there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The sole revenue stream for the Company stems from its agreement with the Parent to provide support services for customer support and other operational and administrative business functions for its virtual cards and other products. The reward for providing such services to the is a proportionate share of profits or losses of the Parent entity operations.

Whilst the directors have seen reduced revenues as a result of the downturn in travel booking volumes primarily due to the Coronavirus outbreak, having assessed the ability and intention of WEX Inc. to provide continuing support if and as necessary (which includes having a letter of support in place) to the Company; the directors believe that the Company has access to adequate financial resources to continue in operational existence for at least 12 months from the date of signing these financial statements. For this reason, the directors are of the opinion that the necessary financial support will be provided to allow the eNett group to maintain its operations as a going concern.

3.4 Revenue
Revenue from the sale of goods and services in the ordinary course of business is recognised when the Company satisfies a performance obligation by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation.

3.4.1 Rendering of services to related entities

Revenue is generated by the provision of support services to the Parent to facilitate customer support and business development functions for virtual cards. The consideration for the provision of services is the allocation of profit or loss of the Parent based on the relative contribution by the Company. The performance obligation is met as and when the Company provides customer support and business development services to current and potential customers, or other related services. The share of profit or loss of the Parent for such services is determined in accordance with the applicable service agreement. The share of profit is allocated to the performance obligation and recognised as revenue, or negative revenue where there is a share of losses, as incurred by the Company. Revenue is stated net of any value added taxes ("VAT").

3.5 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Note 3. Significant accounting policies (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 3.6.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Administrative expenses" in the statement of comprehensive income.

3.6 Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The Company does not hold any property.

Cost
Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other costs associated with repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	**Depreciation rate**
Property and equipment	10% - 50%
Office furniture	50% - 67%
Computer equipment	50% - 67%

Note 3. Significant accounting policies (continued)

3.7 Intangible assets

Intangible assets acquired separately are carried at cost less accumulated amortisation where they have finite useful lives and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation rates used are as follows:

Software licences	Length of licence, which currently ranges from 1 to 3 years

3.7.1 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible 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 in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years.

A reversal of an impairment loss is recognised immediately in the consolidated statement of comprehensive income, 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.

3.8 Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

3.8.1 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVOCI"), or at amortised cost using the effective interest rate method. The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales of financial assets are those that require delivery of assets within the timeframe established by regulation or convention in the marketplace.

3.8.2 Classification of financial assets

Financial instruments mainly comprise cash and cash equivalents and trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Note 3. Significant accounting policies (continued)

3.8.3 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on 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 financial instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition excluding expected credit losses.

3.8.4 Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises a lifetime ECL on financial assets based on the simplified approach within IFRS 9 using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

3.8.5 Derecognition of financial assets

The Company derecognises a financial asset 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 party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3.8.6 Financial liabilities

Financial liabilities are classified "at amortised cost".

3.8.7 Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds required, net of the direct issue costs.

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

3.8.8 Effective interest method for financial liabilities

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.8.9 Derecognition of financial liabilities

The Company derecognises a financial liability when the contractual obligation to the cash flows from the liability is discharged, cancelled or expired. The Company recognises the difference between the extinguished liability's carrying amount and the consideration paid including any non-cash assets transferred and any new liabilities assumed (if any) in profit or loss.

Note 3. Significant accounting policies (continued)

3.9 Taxation
The tax payable or refundable is based on taxable profit for the year after factoring taxation payments made to relevant tax authorities. Taxable profit generated or tax losses incurred differs from net profit or loss 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. When tax losses are incurred by The Company, these are either carried forward for use against future tax profits or carried back to offset prior period's tax profits. The Company's liability or receivable for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Current tax for current and prior periods is, to the extent that it is unpaid, recognised as a liability. Overpayment of current tax in relation to current and prior periods or carry back of a tax loss to offset a prior period tax profit is recognised as an asset.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses, in tax assessments, in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.10 Pensions
The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

3.11 Cash and cash equivalents
Cash and cash equivalents are comprised of bank deposits, with maturities of 3 months or less.

3.12 Employee benefits

Share-based payments
Equity-settled share-based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled transactions are set out in note 18.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the consolidated statement of comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any change in fair value recognised in the consolidated statement of comprehensive income for the year.

3.13 Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable asset is recognised if it is virtually certain that reimbursement will be received and the amount can be measured reliably.

3.14 Dividends
Dividends are recognised when declared during the financial year.

Note 4. Critical judgements & key sources of estimation uncertainty

In application of the Company's accounting policies, which are described throughout 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.

Note 4. Critical judgements & key sources of estimation uncertainty (continued)

4.1 Critical judgements in applying accounting principles

4.1.1 Impairment of Right-of-use assets
Right of uses assets has been assessed for indicators of impairment. The Company's right-of-use assets are primarily made up commercial office space. Whilst the Coronavirus outbreak saw reduced use of offices during the year as a result of imposed lockdowns, it did not affect the ability of the Company to carry out its services, given our employees were able to efficiently and effectively carry out their duties remotely. This is expected to continue in the event of further imposed lockdowns or restrictions of use of office space.

4.1.2 Deferred tax assets.
Deferred tax assets are generally recognised for all deductible temporary differences and carried forward tax losses or non-refundable tax credits, to the extent that it is probable that taxable profits will be available against which they can be utilised. The impact of the Coronavirus pandemic has seen a significant reduction in revenue during 2020 however even though the timing of the recovery profile remains uncertain, the Company anticipates there will be sufficient profits within the eNett Jersey Group which in turn will result in the Company receiving share of profits from the Parent for the provision of support services, against which deferred tax assets recognised by the Company can be utilised.

Note 5. Revenue

	2020 £	2019 £
Revenue from provision of customer support and other operational and administrative business services	(3,328,570)	10,685,842

The principal activity of the Company is to provide support services to the Parent for customer support and other operational and administrative business functions for its virtual cards and other products. The Company's sole income stream stemming from its agreement with the Parent in the provision of these services is the proportionate share of profits or losses of the Parent entity operations. Given the impact of the Coronavirus pandemic, the Parent incurred operating losses as a result of its operations. As such, the Company received an overall share of losses which has been presented as negative revenue.

Note 6. Administration expenses

	2020 £	2019 £
Employee benefits	2,825,975	4,366,962
Equity-settled share-based payments	849,032	19,680
Cash-settled share-based payments	(2,508,207)	3,790,494
Employee termination benefits	-	75,200
Other administration expenses	(82,403)	308,807
Total administration expenses	1,084,397	8,561,143

The Company recognised a £2,508,207 credit (2019:£3,790,494 expense) in relation to the cash-settled share appreciation rights plan. The reduction in liability in the current year was due to renegotiation of the Transaction consideration resulting in a lower value of the share appreciation rights (Refer to note 18 for further details).

The credit in other administrative expenses during the year ended 31 December 2020 is primarily due to an increase in foreign exchange gains of £161,608 and also a reduction in employee recruitment expense of £153,661.

Note 7. Other expenses

	2020 £	2019 £
Legal and compliance	86,527	112,186
Travel	85,022	531,688
Occupancy	152,942	155,142
Depreciation and amortisation	45,821	47,179
Depreciation - right-of-use assets	160,660	156,454
Total other expenses	530,972	1,002,649

Note 8. Finance cost

	2020 £	2019 £
Interest on lease liabilities	25,791	34,562

	2020 £	2019 £
Interest on lease liabilities		
Office building	25,145	33,872
Office equipment	646	690
Total interest on lease liabilities	25,791	34,562

The Company has applied an incremental borrowing rate ranging between 5.30% and 5.68%.

Note 9. Profit/(loss) for the year from continuing operations

	2020 £	2019 £
(Loss)/Profit for the year from continuing operations	(3,979,107)	849,733
(Loss)/Profit for the year from continuing operations has been arrived at after charging:		
Depreciation and amortisation	45,821	47,179
Depreciation - right-of-use assets	160,660	156,454
Foreign exchange (gains)	(287,617)	(132,388)
Employee benefits	2,825,975	4,366,962
Employee retention plan	(1,659,175)	3,810,174
Employee termination benefits	-	75,200
	1,085,664	8,323,581
Employee benefits comprise of:		
Wages and salaries (including contractors)	2,083,593	3,975,389
Pension expense	103,547	115,354
Social security costs	283,003	276,219
Transaction bonus	355,832	-
Total employee benefits	2,825,975	4,366,962

Note 9. Profit/(loss) for the year from continuing operations (continued)

The credit in the employee retention plan is the result a reduction in the cash-settled share plan liability in the current year due to the renegotiation of the Transaction consideration resulting in a lower value of the share appreciation rights, which is also explained in notes 6 and 18.

The average number of persons employed by the company in the financial year, including directors, was 30 (2019: 36).

Auditor remuneration payable in respect of the auditing of the financial statements during 2020 was approximately £11,631 (2019: £10,549).

Note 10. Cash and cash equivalents

	2020 £	2019 £
Current assets		
Cash at bank	1,294,572	5,994,875

This balance represents funds held in operating and term deposit accounts.

Note 11. Trade and other receivables

	2020 £	2019 £
Current assets		
Amounts due from related companies	-	1,803,311
Other debtors	-	636
Balance at 31 December	-	1,803,947

Note 12. Right-of-use assets

The Company leases office space in the United Kingdom with a lease term of 9 years. There are no options to extend the lease beyond the term. The Company also leases equipment under agreements of between 2 to 4 years. The Company does not have an option to purchase at the expiry of these lease periods.

The maturity analysis of lease liabilities is presented in note 17.

	2020 £	2019 £
Non-current assets		
Office equipment - right-of-use	25,244	18,438
Less: Accumulated depreciation	(15,651)	(10,085)
	9,593	8,353
Office space - right-of-use	656,960	656,960
Less: Accumulated depreciation	(301,463)	(146,369)
	355,497	510,591
Balance at 31 December	365,090	518,944

Note 12. Right-of-use assets (continued)

	Office space	Office equipment	Total
	£	£	£
Cost			
Balance at 1 January 2020	656,960	18,438	675,398
Lease modification	-	6,806	6,806
Balance at 31 December 2020	656,960	25,244	682,204
Accumulated Depreciation			
Balance at 1 January 2020	(146,369)	(10,085)	(156,454)
Depreciation	(155,094)	(5,566)	(160,660)
Balance at 31 December 2020	(301,463)	(15,651)	(317,114)
Balance at 31 December 2020	355,497	9,593	365,090

Note 13. Property, plant and equipment

	2020	2019
	£	£
Non-current assets		
Plant and equipment - at cost	488,581	507,362
Less: Accumulated depreciation	(413,703)	(392,653)
Net book value at 31 December	74,878	114,709

	2020	2019
	£	£
Equipment		
Cost		
Balance at 1 January	507,362	464,407
Assets acquired	4,892	43,846
Assets disposed	(23,673)	(891)
Balance at 31 December	488,581	507,362
Depreciation		
Balance at 1 January	(392,653)	(358,106)
Depreciation charge	(44,549)	(35,350)
Assets disposed	23,499	803
Balance at 31 December	(413,703)	(392,653)
Net book value at 31 December	74,878	114,709

Note 14. Intangible assets

	2020 £	2019 £
Non-current assets		
Software - at cost	108,719	108,719
Less: Accumulated amortisation	(108,719)	(107,447)
Balance at 31 December	-	1,272

	2020 £	2019 £
Software licences		
Cost		
Balance at 1 January	108,719	104,315
Assets acquired	-	4,404
Balance at 31 December	108,719	108,719
Amortisation		
Balance at 1 January	(107,447)	(95,617)
Amortisation charge	(1,272)	(11,830)
Balance at 31 December	(108,719)	(107,447)
Net Book Value at 31 December	-	1,272

Note 15. Trade and other payables

	2020 £	2019 £
Current liabilities		
Accrual for employee benefits	210,036	5,199,286
Trade creditors	21,917	89,911
Other accrued expenses	128,365	107,678
Amounts payable to related entities	3,301,283	-
Balance at 31 December	3,661,601	5,396,875

The average credit period for trade creditors falls in the range 30 days. No interest is charged on the trade creditors balance. The Company reviews trade creditor balances monthly to ensure that all payables are paid in accordance with credit terms. The carrying value of trade creditors approximates the fair value.

Note 16. Provisions

	2020 £	2019 £
Current liabilities		
Employee leave provision	40,343	42,687
Non-current liabilities		
De-commissioning provision	52,800	52,800
Balance at 31 December	93,143	95,487

Note 16. Provisions (continued)

	Employee leave provision (i) £	De-commissioning provision (ii) £	Total £
Current			
Balance at 1 January 2020	42,687	-	42,687
Provision utilised net of amounts made during the year	(2,344)	-	(2,344)
Balance at 31 December 2020	40,343	-	40,343
Non-current			
Balance at 1 January 2020	-	52,800	52,800
Provision made during the year	-	-	-
Balance at 31 December 2020	-	52,800	52,800
Balance at 31 December 2020	40,343	52,800	93,143

- **Employee leave provision**
  The provision for employee leave represents annual leave entitlement.
- **De-commissioning provision**
  The de-commissioning provision represents an estimate of the cost to return the commercial building leased by the Company to its original condition upon termination of the lease. The expected timing of payment is March 2023.

Note 17. Lease liabilities

There was an extension of the lease term of office equipment by an additional 27 months expiring on 13 May 2023. There were no other contractual changes made in lease agreements during the year ended 31 December 2020.

	2020 £	2019 £
Maturity analysis on leases		
Year 1	196,420	199,585
Year 2	168,549	192,000
Year 3	1,105	164,129
	366,074	555,714
Less interest component	(21,416)	(45,875)
Balance at 31 December	344,658	509,839

	2020 £	2019 £
Current liabilities		
Lease liability - Current	180,412	174,250
Non-current liabilities		
Lease liability - Non-current	164,246	335,589
Balance at 31 December	344,658	509,839

Refer to note 25 for further information on financial instruments.

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

Note 17. Lease liabilities (continued)

Short-term leases

For the year ended 31 December 2020, the Company did not incur any expenses or have any short-term lease agreements.

Note 18. Share-based payments

18.1 Cash-settled share appreciation rights plan

The Company had a share appreciation rights plan for employees whereby rights were redeemable into cash at a price equal to the estimated fair value of shares in eNett International (Jersey) Limited ("eNett Jersey") on the date of grant. The number of awards granted was calculated in accordance with the performance-based formula.

The vesting period for Series 1 was 19 months and subject to a value target for the shares in eNett Jersey. Rights were forfeited if the employee left the Company before the rights vested. Exercise of the award was conditional upon a qualifying liquidity event. Note the number of units granted was adjusted based upon the probability of achievement of non-market conditions at each grant date.

The following share-based payment arrangements were in existence during the current reporting year:

Option series	Grant date	Vesting date	Number granted
Series 1	31/05/2013	31/12/2014	148,666
Series 2	10/07/2014	01/04/2017	104,586

Immediately prior to the Transaction, all Series 1 and Series 2 cash-settled share appreciation rights granted to current and former employees of the Company were cancelled by eNett Jersey in exchange for a cash amount equal to the per share value of eNett Jersey Class C no par value redeemable shares underlying the award, less the applicable exercise price of the cash-settled share appreciation right, for an aggregate consideration of £1,493,771 (US$1,994,036).

The Company recognised a £2,508,207 credit (2019:£3,790,494 expense) in relation to the cash-settled share appreciation rights plan. The reduction in liability in the current year was due to renegotiation of the Transaction consideration resulting in a lower value of the share appreciation rights.

The following reconciles the cash-settled share-based payment awards outstanding at the beginning and end of the year:

	Number of awards granted but unvested	Number of awards vested	Total of awards	Weighted average price US$
2020				
Balance at beginning of the year	-	253,252	253,252	2.16
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Transferred to other group entities	-	-	-	-
Expired during the year	-	-	-	-
Cancelled during the year	-	(253,252)	(253,252)	2.16
Balance at end of the year	-	-	-	-

18.2 Option plan

The Company also had an option scheme, whereby certain executives and employees have the option to purchase restricted Class D shares in eNett Jersey, for a fixed option price upon a qualifying liquidity event, with vesting based upon satisfaction of certain performance and service conditions. The options did not carry voting rights and there were no rights to dividends until exercise.

Immediately prior to the Transaction, eNett Jersey awarded a transaction bonus of USD$1.00 per D-class option awarded in recognition of the value that each D-class option holder contributed to the eNett group and on the basis of the exercise price for all D-class options being less than the redeemable price per D-class share in eNett Jersey, and the Company subsequently cancelled all outstanding vested and unvested D-class options previously granted. As a result of this, the Company paid a transaction bonus of £355,832 (US$475,000) to current and former employees of the Company who held D-class options in eNett Jersey.

The following reconciles the option plan awards outstanding at the beginning and end of the year:

Note 18. Share-based payments (continued)

	Number of awards granted but unvested	Number of awards vested	Total of awards	Weighted average exercise price US$
2020				
Balance at the beginning of the year	204,712	235,644	440,356	12.07
Granted during the year	34,644	-	34,644	11.62
Forfeited during the year	-	-	-	-
Vested during the year	(22,548)	22,548	-	11.62
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Cancelled during the year	(216,808)	(258,192)	(475,000)	11.97
Balance at the end of the year	-	-	-	-

The share-based payment expense is recognised based on the grant date fair value and was £849,032 for the year (2019:£19,680).

On 24 January 2020, the Board of Directors of eNett Jersey unanimously approved entry into a definitive agreement with WEX Inc ("WEX") for the acquisition of all the issued shares in eNett Jersey. As a result of this, the modification (the "2019 Modification") of certain awards (such that all unvested options shall automatically vest upon the sale of all the shares in the company to a third party within a specified time frame) that were approved by the Board of Directors on 19 December 2019, are recognised as granted during the year ended 31 December 2020. The number of awards recognised as granted due to the 2019 Modification, applicable to the Company, was 34,644 and the aggregate fair value of options granted and modified was US$377,780 (£280,842). The 2019 Modification also resulted in an aggregate fair value of US$650,142 (£483,316) for previously granted options which were unvested at the time of the 2019 Modification.

The inputs into the Black-Scholes model for options granted during the year are as follows:

Weighted average for options granted during the year	Year ended 31 December 2020
Grant date share price	US$23.64
Exercise price	US$11.62
Expected volatility	26.46%
Expected life	6 months
Risk-free rate	1.56%
Expected dividend yields	0%

Expected volatility was based on the historical share price volatility of a comparable set of publicly traded organisations over the expected period at the time of grant.

Note 19. Issued capital

	2020 Shares	2019 Shares	2020 £	2019 £
Ordinary shares - authorised and fully paid	2	2	2	2

Note 20. Current tax asset

	2020 £	2019 £
Current assets		
Current tax asset	1,141,857	-

Current tax asset as at 31 December 2020 includes tax losses of £988,908 allowable to be carried back to prior year taxes previously paid as part of the application of the loss carry back provisions.

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Note 21. Other current assets

	2020	2019
	£	£
Current assets		
VAT receivable	26,016	56,664
Prepayments	40,425	38,155
Security deposits	57,600	57,600
Total balance at 31 December	124,041	152,419

Note 22. Deferred tax asset

	2020	2019
	£	£
Non-current assets		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	736,146	-
Property, plant and equipment	5,484	-
Employee benefits	15,328	893,532
Other accruals and provisions	101	-
Deferred tax asset	757,059	893,532
Movements:		
Opening balance	893,532	74,632
(Credited)/charged to profit or loss (note 28)	(136,473)	818,900
Closing balance	757,059	893,532

Note 23. Current tax payable

	2020	2019
	£	£
Current liabilities		
Current tax payable	-	689,327

Note 24. Dividends

There were no dividends paid, recommended or declared during the current financial year.

	2020	2019
	£	£
Ordinary shares	-	7,000,000

Note 25. Financial instruments

25.1 Financial instruments

At the end of the year, the Company's balance sheet included the following financial instruments all at amortised cost.

	Cash and cash equivalents £	Trade and other receivables £	Other current assets £	Total £
Financial assets				
Cash and cash equivalents	1,294,572	-	-	1,294,572
Trade and other receivables	-	-	-	-
Security deposit	-	-	57,600	57,600
Total financial assets	1,294,572	-	57,600	1,352,172

	Trade and other payables £	Lease liabilities £	Total £
Financial liabilities			
Trade payables	3,661,601	-	3,661,601
Lease liabilities	-	344,658	344,658
Total financial liabilities	3,661,601	344,658	4,006,259

The Company does not have any financial instruments which are subject to enforceable master netting arrangements or similar netting agreements.

25.2 Financial risk management objectives

The Company's finance function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages financial risks relating to the operations of the Company by exposing risks by degree and magnitude. These risks include market risk, currency risk, credit risk and liquidity risk.

The Company seeks to minimise these risks through continual review and selecting the most appropriate short-term strategy given the need for rapid access to funds for operational and developmental purposes. The Company does not use derivatives for trading or speculative purposes.

The Company's finance function has direct access to the senior leadership team and the board of directors to advise on financial risk and the implementation of policy to mitigate risk exposures.

25.3 Market risk management
The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, which is discussed further in note 25.4.

25.4 Foreign currency risk management
The Company does not have a material number of transactions denominated in foreign currencies therefore there is minimum exposure to foreign exchange movements on normal operating transaction. However, the Company holds a cash deposit with an external party of US$1,607,191 (2019: US$7,879,899). The exchange rate exposure related to cash deposits held in United States dollars is managed within approved policy parameters and management mitigates risk exposures through regular cash management processes and review of cash structuring along with entities controlled by the Parent.

25.5 Credit risk management
Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract.

The following is a credit risk analysis, all using the lifetime expected credit loss approach, on the Company's financial assets excluding cash and cash equivalents. Financial assets classed as low risk do not have any past-due amounts or is deemed by the Company as highly collectable:

	Asset category	Credit rating	Gross carrying amount £	Loss allowance £	Net carrying amount £
2020					
Security deposit	Other current assets	(i): Lifetime ECL	57,600	-	57,600

Note 25. Financial instruments (continued)

- Security deposits include cash deposits for the purposes of securing office rental in the UK. The Company determines the ECL on these items based on historical credit loss experience on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. There have not been material credit losses on these financial assets based upon previous experience and as such, no expected credit loss has been provided for in these financial statements.

25.6 Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the directors, who have built an appropriate liquidity risk management framework for the management of short, medium and long-term funding. The eNett group manages liquidity risk by maintaining adequate reserves and banking facilities whilst monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Creditors are settled within 45 days.

Note 26. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel is set out below:

	2020 £	2019 £
Short-term employee benefits	931,047	515,653
Post-employment benefits	15,975	15,312
Equity-settled share-based payments	849,032	19,680
Total compensation expense	1,796,054	550,645

The directors of the Company do not receive any emoluments in respect of services of this company.

Note 27. Related party transactions

	2020 £	2019 £
Trading transactions		
Provision of customer support and business development services to:		
eNett International (Singapore) Pte. Ltd.	(3,328,570)	10,685,842
Amount owed (to)/by related parties		
Amounts owed (to)/by Parent	(1,450,028)	1,728,131
Amounts owed (to)/by related companies	(1,851,255)	75,180
Balance at 31 December	(3,301,283)	1,803,311

The amount owed to the Parent, eNett International (Singapore) Pte. Ltd., is in reference to outstanding amounts in respect of support services provided by the Company during the year.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

Key management personnel
Disclosures relating to key management personnel are set out in note 26.

Note 28. Income tax (benefit)/expense

	2020 £	2019 £
Income tax (benefit)/expense		
Current tax	(1,120,519)	1,246,886
Deferred tax	136,473	(818,900)
Aggregate income tax (benefit)/expense	(984,046)	427,986
Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate		
(Loss)/Profit before income tax benefit/(expense)	(4,963,153)	1,277,719
Tax at the statutory tax rate of 19%	(942,999)	242,767
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	162,863	27,507
Prior period adjustments	(98,789)	52,591
Difference from reduction in corporation tax rate (19% to 17%)	(105,121)	105,121
Income tax (benefit)/expense	(984,046)	427,986

The Company earns its profits primarily in the U.K. Therefore, the tax rate used for current tax on profit for the current year was 19% (2019: 19%).

The Finance Act 2013 which was enacted on 17 April 2013, provided for a reduction in the main corporate tax rate at 19% for the years starting from 1 April 2017 to 17% for the financial year starting 1 April 2020. However, in March 2020, HMRC published a policy paper to maintain the UK corporation tax rate at 19% for the financial years beginning 1 April 2020 and 1 April 2021.

In March 2021, the Finance Budget 2021 announced an increase in the main corporate tax rate from April 2023 from 19% to 25% for profits above £250,000 with a marginal rate applying to profits between £50,000 and £250,000. The rate changes will be included in the Finance Bill 2021 which is due to be published on 11 March 2021. The rate change has not been applied to the deferred tax balances as at 31 December 2020.

The Company has recognised a net deferred tax asset of approximately £757,059 (2019: £893,532) on tax losses incurred during the current year, timing in the deductibility of employee related benefits and other temporary differences.

Note 29. Ultimate parent undertaking and controlling party

The immediate parent of eNett International (UK) Limited is eNett International (Singapore) Pte. Ltd., a limited liability company incorporated in Singapore, which is owned by eNett International (Jersey) Limited, a limited liability company incorporated in Jersey (Channel Islands). The ultimate holding company with 100% control of eNett International (UK) Limited is WEX Inc. incorporated in the state of Delaware in the United States of America. The largest group of which the Company is a member for which group accounts are prepared is WEX Inc. The smallest group of which the company is a member for which group accounts are prepared is eNett International (Singapore) Pte. Ltd.

Note 30. Events after the reporting period

Decision by eNett International Singapore Pte. Ltd. to consolidate its virtual card payments processing service with WEX Inc.'s existing technology capabilities

During the first quarter of 2021, eNett International Singapore Pte. Ltd. (a related party and wholly owned subsidiary of eNett Jersey), which is the Company's sole customer for revenue received from the provision of services for customer support and other operational and administrative business functions for its virtual cards and other products, decided that it will consolidate its virtual card technology within WEX Inc.'s existing technology capabilities. The expected time frame to complete this is approximately two years. The WEX Inc. group is committed to providing a world-class experience to customers through innovative technology, strong partnerships, and outstanding customer service, however, the decision to consolidate eNett International Singapore Pte. Ltd. virtual card technology with that of WEX Inc. is to ensure that the wider WEX Inc. group is at the forefront on creating cloud-first technology, whilst standardising its processes and platforms where appropriate. An estimate of the financial effect to the Company of the proposed change cannot be reliably made at this stage as the process will take approximately two years and is likely to include further corporate restructuring as integration progresses. Meanwhile, for the foreseeable future, the principal activities of the Company will continue to focus on the provision of services related customer support and other operational and administrative business functions, to support the implementation and operation of innovative payment and settlement processes focusing on the global travel industry.

Note 30. Events after the reporting period (continued)

Revolving intercompany loan agreement entered into by the Company and Wright Express International Holdings Ltd

On 13 May 2021, the Company entered into a revolving intercompany loan agreement with Wright Express International Holdings Ltd (a related company) for £18,000,000 in order to assist with working capital purposes. The maturity of the loan is 13 May 2026, with an interest rate set at GBP 1-month LIBOR + 2.50% along with a commitment fee of 0.50% on the maximum revolving loan amount less the daily outstanding loan balance. Interest accrues daily and is payable on a quarterly basis. Principle is payable on maturity and can be repaid earlier without penalty or premium and may funds can be re-borrowed loans up to the applicable revolving loan amount. On 13 May 2021, a drawdown on the revolving loan was made for £7,112,121.60.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial periods.