Company Registered Number: 02950206

INDXIS Limited

Report and financial statements

For the Year Ended 31 December 2015

Directors
Lee Shavel
Jean-Jacques Louis
John Jacobs

Secretary
J Conley

Independent Auditor
Ernst & Young LLP
25 Churchill Place,
London
E14 5EY

Registered Office
Woolgate Exchange
25 Basinghall Street
London
EC2V 5HA
United Kingdom

Registration Number
02950206

Directors' report

The Directors present their report and financial statements of INDXIS Limited (the "Company") for the year ended 31 December 2015.

A strategic report has not been prepared by the director as the company is considered a small company. Under the provisions of Companies Act 2006 it is exempt from preparing the strategic report.

Principal activities and Review of the Business

The principal activity of the Company is that of software and hardware systems research, development and consultancy as well as providing a comprehensive index services platform to the NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.) (the 'Group').

An arms-length mark-up of 6% (6% in 2014) has been applied on intercompany services provided to other entities owned by the Group.

The Directors were satisfied with the performance of the Company during the year ended 31 December 2015 and they are confident about the future prospects of the Company.

Future Developments

The Company will continue to provide index services to other entities owned by NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.) (the "Group"). The Company believes that the year ahead will be positive for the business drivers and operations.

In a referendum on 23 June 2016, the United Kingdom voted to leave the European Union. The impact of this decision is currently unknown as the United Kingdom government under article 50 of the treaty on European Union is yet to inform the European Union formally of the intention to leave. Until such time as formal terms and conditions of withdrawal are agreed, there is a high degree of uncertainty and consequently market volatility is expected until completion of negotiations. The impact of this volatility and uncertainty on the Company is yet to be determined. The directors are monitoring the situation, but no strategic decision about the future of the Company's business as a result of the referendum vote has been taken. To date, there have been no matters that warrant adjustment to the financial results as at 31 December 2015 and there are also no post balance sheet events caused by the referendum result.

Results and Dividends

The Company's profit for the period after taxation amounted to £49,871 (2014: profit of £56,544) following conversion to FRS 102. The Directors do not recommend the payment of a final dividend (2014: Nil)

Going Concern

In accordance with their responsibilities, the directors of the Company have considered the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. The Company's Ultimate parent company, NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.) has confirmed that they will continue to provide financial support to the Company for at least 12 months from the date of approval of these accounts. As a result, the Directors believe that the Company is well placed to manage its business risks.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors' report (continued)

Principal Risks and Uncertainties

The key business risks and uncertainties affecting the Company are considered to be risks associated with intercompany transactions and transfer pricing.

The transfer pricing policy and related documents are maintained by the Group. The documentation and cost recharge models are reviewed and updated periodically to ensure that the general guidelines set out in the transfer pricing policy are strictly followed.

Policy and practice on payment of creditors

It is the Company's policy to settle all debts with its creditors on a timely basis, taking account of the credit period agreed with each supplier.

Environment

The Company is committed to pursuing sound environmental policies in all aspects of its business, and seeks to encourage and promote good environmental practice amongst its employees and within the communities in which it operates.

Directors

The directors who served the Company during the year were as follows:

Lee Shavel
Jean-Jacques Louis
John Jacobs

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 he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.
Approved by the Board of Directors and signed on behalf of the Board by:

Jean-Jacques Louis
Director
Date: 15 August 2016

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable Financial Reporting Standards (FRS) 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Independent auditor's report

to the members of INDXIS Limited

We have audited the financial statements of INDXIS Limited ('the Company') for the year ended 31 December 2015 which comprise the Income Statement, Statement of other comprehensive income, Statement of financial position, Statement of changes in equity and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report

to the members of INDXIS Limited (continued)

Matters on which we are required to report by exception

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

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

Ernst & Young LLP

Kenneth Eglinton (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London
16 August 2016

Income Statement

for the year ended 31 December 2015

	Notes	*Year Ended 31 December 2015* £	*Period Ended 31 December 2014* £
Turnover	4	1,055,552	998,572
Cost of sales		(244,778)	(473,362)
Gross profit		810,774	525,210
Administrative expenses		(756,575)	(462,394)
Operating profit		54,199	62,816
Interest receivable and similar income		2,650	-
Interest payable and similar charges		(6,978)	(6,272)
Operating proft on ordinary activities before taxation	5	49,871	56,544
Tax charge	6	-	-
Profit for the financial year after taxation		49,871	56,544

All amounts are in respect of continuing operations.

Statement of other comprehensive income

for the year ended 31 December 2015

There are no adjustments recognised in the statement of other comprehensive income other than the loss for the financial year attributable to the shareholders of the Company

The notes on pages 10 to 21 form part of these financial statements.

Statement of financial position

As at 31 December 2015

	Notes	*Year Ended 31 December 2015* £	*Period Ended 31 December 2014* £
Fixed assets			
Intangible fixed assets	8	504,447	639,541
Tangible fixed assets	9	514	686
		504,961	640,227
Current assets			
Debtors	10	1,670,406	1,620,909
Cash at bank		162,776	52,882
		1,833,182	1,673,791
Creditors: amounts falling due within one year	11	(2,551,727)	(2,598,907)
Net current liabilities		(718,545)	(925,116))
Total assets less current liabilities		(213,584)	(284,889)
Net liabilities		(213,584)	(284,889)
Capital and reserves			
Called up share capital	12	1,064	1,064
Capital reserve		3,989	3,989
Profit and loss account		(218,637)	(289,942)
Shareholders' deficit		(213,584)	(284,889)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Jean-Jacques Louis, Director
15 August 2016

The notes on pages 10 to 21 form part of these financial statements

Statement of changes in equity

As at 31 December 2015

	Share Capital £	Share Premium £	Profit and loss Account £	Total share-holders' funds £
Shareholder's funds/(deficit) at 1 January 2014 as previously reported	1,064	3,989	(363,941)	(358,888)
Prior period adjustment (note 19)	-	-	(5,019)	(5,019)
Profit for the year	-	-	56,544	56,544
Share based payments charge	-	-	22,474	22,474
Shareholder's funds/(deficit) at 31 December 2014	1,064	3,989	(289,942)	(284,889)
Shareholder's funds/(deficit) at 1 January 2015	1,064	3,989	(289,942)	(284,889)
Profit for the year	-	-	49,871	49,871
Share based payments charge	-	-	21,434	21,434
Shareholder's funds/(deficit) at 31 December 2015	1,064	3,989	(218,637)	(213,584)

Notes to the accounts

For the year ended 31 December 2015

1. Statutory Information

INDXIS Limited is a company domiciled in England and Wales, registration number 02950206. The registered office is Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

2. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with FRS 102, except for share based payments, which are recorded at fair value. These financial statements for the year ended 31 December 2015 are the first to comply with FRS 102. The date of transition is 1 January 2014. The presentation currency is £ sterling.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously. The nature of these changes and their impact on opening equity and profit for the comparative period are explained in notes and below.

Turnover

Turnover represents the net amount receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Turnover is recognized in the period that the service has been provided.

Turnover represents intercompany income for services that are charged out to the other legal entities that are owned by NASDAQ OMX Group Inc., the Company's ultimate parent.

Disclosure exemptions

In preparing these financial statements the Company has taken advantage of the following disclosure exemptions conferred by FRS 102:

- The financial statements do not include a statement of cash flows as the Company's results are included as a wholly owned subsidiary in the financial statements of NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.), which are publicly available.
- Certain disclosures required by FRS 102.26 Share based Payments

Intangible Fixed Assets and Amortisation

An internally generated intangible asset arising from the development of software is recognised only if all of the following conditions are met:

It is probable that the asset will create future economic benefits;

- The development costs can be measured reliably;
- Technical feasibility of completing the intangible assets can be demonstrated;
- There is the intention to complete the asset and use or sell it;
- There is the ability to use or sell the asset; and
- Adequate technical, financial and other resources to complete the development and to use or sell the assets are available.

Notes to the accounts (continued)

For the year ended 31 December 2015

2. Accounting policies (continued)

Internally generated intangible assets are amortised over their estimated useful lives which is between three to five years. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit and loss account in the period in which it is incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold buildings and improvements	Over 5 years
Furniture, fittings and equipment	25% reducing balance

Pensions

The Company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

Deferred taxation

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

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

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

Deferred tax assets and liabilities are not discounted.

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All translation differences are taken to the profit and loss account.

Share Based Payments

NASDAQ has issued share options and restricted stock units to certain directors and employees of the Company. They are measured at the fair value and recognised as an expense in the profit and loss account over the vesting period with the corresponding increase in equity. The fair value of the restricted stock units was estimated at the date of grant using an external stock market valuation method. The fair value of the options was estimated at that date using the Black-Scholes method.

Notes to the accounts (continued)

For the year ended 31 December 2015

3. Critical accounting estimates and judgments

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

4. Turnover

The Company continues to provide intercompany services to other entities, owned by NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.), the Company's ultimate parent. All revenue is intercompany revenue and is included in turnover.

5. Operating profit and loss

Profit/(loss) on ordinary activities before taxation is stated after charging:

	Year Ended 31 December 2015	*Period Ended 31 December 2014*
	£	*£*
Depreciation of tangible fixed assets	172	6,697
Amortization of intangible assets	77,115	22,998
Auditors' remuneration – audit services	13,878	18,000
Loss/(Gain) on foreign exchange transactions	143	(4,505)

6. Tax

a) Taxation on profit/(loss) on ordinary activities comprising:

	Year Ended 31 December 2015	*Period Ended 31 December 2014*
	£	*£*
Current tax:		
UK Corporation tax charge on profit for the year	-	-
Deferred tax charge (credit) for the year	-	-
Total tax charge/ (credit)	-	-

Notes to the accounts (continued)

For the year ended 31 December 2015

6. Tax (continued)

b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.25%. The standard rate of corporation tax in the UK has been arrived at by reference to the corporation tax rates in effect during the year. The differences are explained below:

	Year Ended 31 December 2015	*Period Ended 31 December 2014*
	£	*£*
Profit on ordinary activities before tax	49,871	56,544
Profit/(loss) on ordinary activities multiplied by standard rate of Corporation Tax in the UK of 20.25% (2014:21.5%)	10,099	12,157
Effects of:		
Expenses not deductible for tax purposes	-	-
Utilisation of brought forward tax losses	(10,543)	(14,931)
Temporary differences on which deferred tax is not recognised	444	2,774
Other temporary difference	-	-
Total tax for the year	-	-

The Company has estimated losses of £1,930,710 (2014: £1,961,323) available for carry forward against future trading profits.

A deferred tax asset has not been recognised in view of the uncertainty about future profitability of the Company, which in the opinion of directors makes the recovery of the asset uncertain. The unrecognised deferred tax asset of £354,186 is in relation to trading losses £347,528 and other temporary differences £6,658.The UK Finance Bill 2015 was enacted in November 2015 reducing the standard rate of corporation tax from 20% to 19% effective from 1 April 2017 and 18% effective from 1 April 2020. Accordingly the unrecognised deferred tax asset at December 2015 has been stated at 18%, being the rate at which temporary differences are expected to reverse.

The Chancellor of the Exchequer has also announced in his budget on 16 March 2016 a further reduction of the UK corporation tax from to 17% from 1 April 2020. However, as this was not substantively enacted at the balance sheet date there is no impact of the proposed reduction on the deferred tax balances at 31 December 2015.

Notes to the accounts (continued)

For the year ended 31 December 2015

7. Employee information

The average monthly number of employees during the period was:

	Year Ended 31 December 2015 No.	*Period Ended 31 December 2014 No.*
Administration	4	4
Director	3	3

No Directors received remunerations from the group, specifically for this Company, during the year (2014: Nil).

	Year Ended 31 December 2015 £	*Period Ended 31 December 2014 £*
Wages and salaries	390,971	404,539
Social security costs	50,689	48,278
Other pension costs	17,660	18,253
Share based payments	21,434	22,474
	480,754	493,544

No Directors received remuneration from the group during the period (2014: Nil).

Notes to the accounts (continued)

For the year ended 31 December 2015

8. Intangible fixed assets

	Research & development
	£
Cost	
At 1 January 2015	663,715
Additions	340,801
Write-offs	(419,503)
At 31 December 2015	585,013
Amortisation	
At 1 January 2015	(24,174)
Charge for the year	(77,115)
Write-offs	20,723
At 31 December 2015	(80,566)
Net book value	
At 31 December 2015	504,447
At 31 December 2014	639,541

Notes to the accounts (continued)

For the year ended 31 December 2015

9. Tangible fixed assets

	Land and buildings	Furniture and fittings	Total
	£	£	£
Cost			
At 1 January 2015	46,105	126,848	172,953
Additions	-	-	-
At 31 December 2015	46,105	126,848	172,953
Depreciation			
At 1 January 2015	(46,105)	(126,162)	(172,267)
Charge for the year	-	(172)	(172)
At 31 December 2015	(46,105)	(126,334)	(172,439)
Net book value			
At 31 December 2015	-	514	514
At 31 December 2014	-	686	686

10. Debtors

	Year Ended 31 December 2015	*Period Ended 31 December 2014*
	£	*£*
Other debtors	6,708	18,696
VAT receivable	26,914	32,952
Amounts owed by group undertakings	1,636,784	1,569,261
	1,670,406	1,620,909

Notes to the accounts (continued)

For the year ended 31 December 2015

11. Creditors: amounts falling due within one year

	Year Ended 31 December 2015	*Period Ended 31 December 2014*
	£	*£*
Trade Creditors	-	6,548
Amounts payable to Group companies	2,440,654	2,478,409
Accrued liabilities	111,073	113,950
	2,551,727	2,598,907

12. Share capital

		Year Ended 31 December 2015	*Period Ended 31 December 2014*
		£	*£*
Called up, allotted and fully paid:	**No.**		
Ordinary shares of £0.01 each	106,383	1,064	1,064

13. Retirement benefits

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. There were no outstanding contributions payable to the pension scheme as at 31 December 2015 (2014: £nil).

14. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2014 - £170,695).

Notes to the accounts (continued)

For the year ended 31 December 2015

15. Related party relationships and transactions

Identity of related parties

Related party is a person or entity that is related to the entity that is preparing its financial statements. Related parties comprise shareholder, board of directors and key management personnel of the Company and their related concerns. The Company, in the ordinary course of business, enters into transactions, at arm's length agreed terms and conditions, with other business enterprises or individuals that fall within the definition of related party contained in UK GAAP FRS 102 –Section 33.

The Company has a related party relationship with its ultimate and immediate parent, other group companies and board of directors.

Ultimate parent company

NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.) see note 16.

Board of directors (Key management personnel)

Key management personnel are those having authority and responsibilities directly and indirectly, to control the activities of the entity and for the Company these are considered to be the board of directors. In addition to their salaries, the Company also provides non-cash benefits to key management personnel and contributions to a post-employment defined contribution plan on their behalf. For details of remuneration of key management personnel see note 7.

Related parties balances

At the year end, the Company had the following balances with its related parties:

Due from related parties

	Year Ended 31 December 2015	*Year Ended 31 December 2014*
	£	*£*
Amounts receivable from ultimate parent company	547,552	1,495,171
Amounts receivable from other group companies	1,089,232	74,090
	1,636,784	1,569,261

The amounts due from other group companies includes unsecured, interest earning loan from with Nasdaq Treasury AB (formerly OMX Treasury AB) of £1,015,140 (2014: payable £679,202) which has no maturity date and is fully repayable on demand.

Notes to the accounts (continued)

For the year ended 31 December 2015

15. Related Parties (continued)

Due to related parties

	Year Ended 31 December 2015	Year Ended 31 December 2014
	£	£
Amounts payable to ultimate parent company	2,052,924	1,431,483
Amounts payable to other group companies	387,730	1,046,926
	2,440,654	2,478,409

Transactions with related parties

During the year, the Company had the following transactions with related parties:

Revenue from

	Year Ended 31 December 2015	Year Ended 31 December 2014
	£	£
Sales to ultimate parent company	670,173	998,572
Sales to other group companies	385,379	-
	1,055,552	998,572

Interest Paid

	Year Ended 31 December 2015	Year Ended 31 December 2014
	£	£
Interest payable to other group companies	6,978	6,272
	6,978	6,272

Notes to the accounts (continued)

For the year ended 31 December 2015

15. Related Parties (continued)

Allocation costs from the Ultimate and immediate Parent and its subsidiaries

	Year Ended 31 December 2015	*Year Ended 31 December 2014*
	£	*£*
Allocation costs from ultimate parent company	1,660	653
	1,660	653

Allocation costs from related parties - overhead charges

	Year Ended 31 December 2015	*Year Ended 31 December 2014*
	£	*£*
Allocation costs from other group companies	96,380	149,889
	96,380	149,889

16. Parent undertaking and controlling party

The Company's immediate parent undertaking is is NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.), a company incorporated in the United States of America with the address of principal executive offices located at One Liberty Plaza, 100006, New York.

The directors consider the ultimate parent undertaking and controlling party to be is NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.).The parent undertaking of the group for which group financial statements are drawn up and which represents the smallest and largest group is is NASDAQ Inc. (formerly The NASDAQ OMX Group Inc.). Copies of the group financial statements can be obtained from the Group's website www.nasdaqomx.com

Notes to the accounts (continued)

For the year ended 31 December 2015

17. Reconciliation of equity

	Note	31 December 2014	1 January 2014
		£	£
Equity under previous UKGAAP		(279,811)	(358,888)
Accrual for holiday pay	19	(5,078)	(5,019)
Equity under FRS 102		(284,889)	(363,907)

18. Reconciliation of profit

	Note	1 January 2014		
		As previously stated	Effect of transition	FRS 102 (as restated)
Turnover		998,572	-	998,572
Cost of sales		(473,362)	-	(473,362)
Gross Profit		525,210	-	525,210
Administrative expenses		(462,335)	(59)	(462,394)
Operating Profit		62,875	(59)	62,816
Interest payable and similar charges		(6,272)	-	(6,272)
Profit before taxation		56,603	(59)	56,544
Taxation		-	-	-
Profit for the financial year		56,603	(59)	56,544

19. Notes to reconciliations

Holiday pay accruals

Prior to the adoption of FRS 102, INDXIS Limited did not make provision for holiday pay earned but not taken before the year end. FRS 102 requires the cost of short-term compensated absences to be recognised when employees render the service that increases their entitlement. Consequently, an additional accrual of £5,019 at 1st January 2014 has been made to reflect this. The provision at 31 Decemeber 2014 had increased to £5,078 and the increase in provision of £59 has been charged to the income statment in the year ended 31 December 2014.