FTC CARDS INC.

Consolidated Interim Financial Statements
(Unaudited - Expressed in Canadian Dollars)

September 30, 2013

Notice to Reader

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited consolidated interim financial statements for the period ended September 30, 2013.

FTC CARDS INC.

CONSOLIDATED BALANCE SHEETS AS AT SEPTEMBER 30, 2013 AND DECEMBER 31, 2012
(Unaudited)
(Expressed in Canadian dollars)

ASSETS	Sep 30, 2013	Dec 31, 2012
	$	$
	(Unaudited)	(Audited)
CURRENT		
Cash and cash equivalents	533,633	1,941,785
Accounts receivable	11,240,315	6,353,492
Recoverable taxes	1,143	8,644
Others	466,344	-
Total current assets	12,241,435	8,303,921
NON-CURRENT		
Deferred income taxes	-	116,544
Investment	170,000	-
Property and equipment	483,399	330,325
Intangible assets	6,615,505	8,086,962
Total non-current assets	7,268,904	8,533,831
TOTAL ASSETS	19,510,339	16,837,752

LIABILITIES	Sep 30, 2013	Dec 31, 2012
	$	$
	(Unaudited)	(Audited)
CURRENT		
Accounts payable	6,450,329	4,092,722
Accrued liabilities	238,169	26,220
Brazilian taxes payable	209,676	475,126
Advances from customers	306,116	752,294
Deferred income taxes	1,113,776	605,716
Total current liabilities	8,318,066	5,952,075
NON-CURRENT		
Advance from shareholder	855,937	-
SHAREHOLDERS' DEFICIENCY		
Share capital	8,305,106	8,305,106
Retained earnings	1,807,018	1,786,043
Accumulated comprehensive loss	(736,592)	(199,778)
Minority Interest	960,804	994,305
Total Shareholders' deficiency	10,336,336	10,885,676
TOTAL LIABILITIES	19,510,339	16,837,752

"Celso Luis Posca" *Director*

"Ross Wilmot" *Director*

The accompanying notes are an integral part of these interim consolidated financial statements.

FTC CARDS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013, WITH COMPARATIVES FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2012 AND THE PERIOD FROM INCEPTION ON MARCH 9, 2012 TO SEPTEMBER 30, 2012.
(Unaudited)
(Expressed in Canadian Dollars)

	Three Months Ended Sep 30, 2013	Three Months Ended Sep 30, 2012	Nine Months Ended Sep 30, 2013	Period from Mar 9, 2012 to Sep 30, 2012
	$	$	$	$
REVENUE	3,009,476	2,446,247	9,293,074	2,446,247
COST OF OPERATIONS	(1,810,422)	(1,557,126)	(6,204,698)	(1,557,126)
GROSS INCOME	1,199,054	889,121	3,088,376	889,121
OPERATING EXPENSES				
Sales and marketing	(142,794)	(157,557)	(493,476)	(157,557)
Administration	(591,816)	(589,140)	(2,465,994)	(590,720)
Financial expenses, net	(100)	(6,898)	559	(6,898)
Amortization and depreciation	(19,312)	(52,324)	(55,640)	(52,324)
Other Operation activities	-	(26,307)	-	(26,307)
	(754,022)	(832,226)	(3,014,551)	(833,806)
Non-operating expenses				
Loss on investment	(30,000)	-	(30,000)	-
NET INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	415,032	56,895	43,825	55,315
Income tax and social contribution	-	(41,782)	-	(41,782)
NET INCOME (LOSS) FOR THE PERIOD	415,032	15,113	43,825	13,533
INCOME ATTRIBUTABLE TO:				
Controlling shareholders	368,960	9,546	20,975	7,967
Minority shareholders	46,072	5,567	22,850	5,566
	415,032	15,113	43,825	13,533
Income (loss) per share				
- basic	(0.00)	0.00	(0.00)	0.00
- diluted	(0.00)	0.00	(0.00)	0.00
Weighted average number of common shares outstanding				
- basic	58,351,052	57,068,611	58,351,052	25,332,896
- diluted	58,351,052	57,068,611	58,351,052	25,332,896
COMPREHENSIVE INCOME(LOSS)				
Net income(loss) for the period	415,032	15,113	43,825	13,533
Gain (loss) on foreign currency translation	(279,150)	(378,448)	(593,165)	(378,448)
COMPREHENSIVE INCOME(LOSS) FOR THE PERIOD	135,882	(363,335)	(549,340)	(364,915)
COMPREHENSIVE INCOME(LOSS) ATTRIBUTABLE TO:				
Controlling shareholders	116,330	(332,950)	(515,839)	(334,530)
Minority shareholders	19,552	(30,385)	(33,501)	(30,385)
	135,882	(363,335)	(549,340)	(364,915)

The accompanying notes are an integral part of these interim consolidated financial statements.

FTC CARDS INC.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM INCEPTION TO SEPTEMBER 30, 2013
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares	Share capital	Retained earnings	Accumulated other comprehensive loss	Minority interest	Total
		$	$	$	$	$
Balance, inception	-	-	-	-	-	-
Issue of capital on inception, March 9, 2012	1	1	-	-	-	1
Issue of capital on spin-off	58,351,052	8,305,105	-	-	818,376	9,123,481
Net income for the period from inception to Sep 30, 2012	-	-	6,387	-	5,566	11,953
Foreign currency translation gain/(loss)	-	-		(342,496)	(35,952)	(378,448)
Balance, Sep 30, 2012	58,351,052	8,305,106	6,387	(342,496)	787,990	8,756,987
Net income for the three months ended December 31, 2012	-	-	1,779,656	-	191,334	1,970,990
Foreign currency translation gain/(loss)	-	-	-	142,718	14,981	157,699
Balance, December 31, 2012	58,351,052	8,305,106	1,786,043	(199,778)	994,305	10,885,676
Net income for the nine months ended Sep 30, 2013	-	-	20,975	-	22,850	43,825
Foreign currency translation gain/(loss)	-	-	-	(536,814)	(56,351)	(593,165)
Balance, Sep 30, 2013	58,351,052	8,305,106	1,807,018	(736,592)	960,804	10,336,336

The accompanying notes are an integral part of these interim consolidated financial statements.

FTC CARDS INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013
AND THE PERIOD FROM INCEPTION ON MARCH 9, 2012 TO SEPTEMBER 30, 2012
(Unaudited)
(Expressed in Canadian Dollars)

	Nine Months Ended Sep 30, 2013	Period from Mar 9, 2012 to Sep 30, 2012
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	43,825	13,533
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization and depreciation	1,381,650	732,631
Deferred income tax and social contribution	-	41,782
Loss on investment	30,000	-
Changes in operating assets and liabilities:		
Recoverable taxes	7,500	(8,152)
Accounts receivable	(4,886,823)	-
Advances and prepaid expenses	(466,344)	(151,598)
Others	-	-
Accounts payable	2,357,611	(641,488)
Accrued liabilities	211,449	114,945
Brazilian taxes payable	(265,450)	218,466
Advances from customers	(446,178)	-
Deferred income taxes	624,604	-
Others	-	-
Cash flows provided by (used in) operating activities	(1,408,156)	320,119
CASH USED IN INVESTING ACTIVITIES:		
Purchase of equipment and intangibles	(62,768)	-
Investment in shares	(200,000)	-
Cash flows provided by (used in) investing activities	(262,768)	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of shares	-	509,000
Cash contributed on acquisition	-	257,586
Advance from shareholder	855,937	-
Cash flows from financing activities	855,937	766,586
Effect of changes in cumulative translation adjustment	(593,165)	(378,448)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,408,152)	708,257
Cash at beginning of year	1,941,785	-
Cash at end of period	533,633	708,257
Increase (Decrease) in net cash	(1,408,152)	708,257
Supplemental Information		
Income taxes paid	-	-
Interest paid (recovered)	-	-

The accompanying notes are an integral part of these interim consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Corporate Structure

FTC Cards Inc. ("FTC Canada " and the "Company") was incorporated under the name "0934977 B.C. Ltd." under the laws of the Province of British Columbia by articles of incorporation dated March 9, 2012. On May 16, 2012, the name was changed to "FTC Cards Inc."

The Company was incorporated by CTF Technologies Inc. ("CTF") for the purposes of completing a reorganization whereby, pursuant to the terms of an Arrangement agreement between CTF, and FleetCor Technologies Inc, ("FleetCor"), FleetCor would acquire all of the shares of CTF from its existing shareholders and FTC Canada would be "spun-out" from CTF, ie. all of the shares of FTC Canada owned by CTF would be dividended to its shareholders so that the former CTF shareholders became the new shareholders of FTC Canada. Consequently, on July 3, 2012, the completion date, FTC Canada ceased to be a wholly-owned subsidiary of CTF and became a reporting issuer, although its common shares are currently not listed on any exchange for trading in Canada or elsewhere.

Also, pursuant to the terms of the Arrangement Agreement, when the FTC Canada shares were issued to CTF, in return the Company acquired approximately 90.5% of the equity of FTC Cards Processamento e Serviços de Fidelização Ltda. ("FTC Brazil") from CTF and assumed the management of the business of FTC Brazil. FTC Brazil is a limited liability company (sociedade limitada) under the laws of Brazil and was incorporated on April 7, 2011. The balance of the equity in FTC Brazil is held by Technis Planejamento e Gestão em Negócios Ltda. ("Technis"), a limited liability company (sociedade limitada) under the laws of Brazil and an unrelated party.

These interim consolidated financial statements include the results of FTC Canada for the nine months ended September 30, 2013 and its 90.5 per cent share of FTC Brazil, with comparatives for the period from its inception on March 9, 2012 to September 30, 2012.

The registered and records office of FTC Canada is located at 1500 Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. The head office of FTC Canada is located at 2000-1066 West Hastings Street, Vancouver, British Columbia, V6E 3X2. The registered and head office of FTC Brazil is located at Alameda Tocantins, No. 125, 33rd floor, room 3302, Building 01 of Condomínio West Side - Alphaville, in the city of Barueri, State of São Paulo, Brazil.

These interim consolidated financial statements are prepared under the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred some losses from inception and may not have the financial resources to sustain operations in the long-term. There is no assurance that financing will be available or be available on favourable terms to fund continued operations. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

These interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate and maintain profitable operations in the future.

Business of the Company

FTC Brazil was formed in 2011 for the purposes of developing a business of providing data processing to support a program of promotions, awards and loyalty programs and credit card processing targeted at the franchise gas stations of Petrobras Distribuidora S.A. ("Petrobras"). FTC Brazil is continuing the business originally developed by CTF Technologies do Brasil Ltda., a subsidiary of CTF Technologies Inc., under an agreement entered into with

Petrobras.

Approval of Financial statements

These interim consolidated financial statements for the period ended September 30, 2013 were approved by the Board of Directors on November 26, 2013.

2. BASIS OF PREPARATION

These interim consolidated financial statements have been prepared and are presented in conformity with Brazilian accounting practices, which include the Brazilian corporate law, the pronouncements, interpretations and guidelines issued by the Accounting Pronouncements Committee (CPC) and approved by regulators and the practices adopted by entities in matters not regulated, provided they meet the Standard "Framework for the Preparation and Presentation of Financial Statements" issued by the CPC. These accounting standards are identical in all material respects to the International Financial Reporting Standards ("IFRS") issued by the IASB. These interim consolidated financial statements are also prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The Company has adopted all the standards, review of Standards and Interpretations issued by the Accounting Pronouncements Committee (CPC) and other regulatory bodies, which were in force on September 30, 2013. These interim consolidated financial statements have been prepared using historical cost as the basis of value for the valuation of assets and liabilities, except for financial instruments, which are measured at fair value. Assets are recorded at the amounts paid or payable in cash or cash equivalents or the fair value of the resources that are delivered to acquire them at the acquisition date, which may or may not be updated by the variation in the overall ability to buy the currency. Liabilities are recorded by the values of the resources that were received in exchange for the obligation or, in some circumstances (e.g. income tax), the value in cash equivalents needed to settle the liabilities in the normal course of operations, and may in certain circumstances be restated. All dollar amounts are presented in Canadian dollars unless otherwise specified.

Critical Accounting Estimates

The preparation of these interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year.

There were no significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical Judgments

The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting the consolidated financial statements include:

Deferred tax Assets & Liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

The measurement of the deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities.

Useful Life of Equipment

Each significant component of an item of Equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience, and take into consideration the anticipated physical life of the asset, existing long-term sales agreements and contracts, current and forecasted demand, and the potential for technological obsolescence.

Carrying value and recoverability of intangible assets

The carrying amount of the Company's intangible assets does not necessarily represent present or future values, and the Company's intangible assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the ability of the Company to obtain the necessary financing to attain profitable operations.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies were applied consistently to all periods presented in these financial statements, except where indicated otherwise.

Basis of Consolidation and Presentation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

These consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiary. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its direct 90.5 per cent-owned subsidiary, FTC Cards Processamento e Servicos de Fidelizacao Ltda. All significant intercompany transactions and balances have been eliminated.

Statement of Operations and Comprehensive Loss, and Revenue Recognition

The operating result (revenues, costs and expenses) is calculated in accordance with the accrual basis of accounting. Revenue from product sales is recognized when its value can be measured reliably, all the risks and benefits are transferred to the buyer, and all terms and conditions of the sale have been satisfied.

Presentation of Financial Statements and Functional Currency

The Company's management determined that its functional currency is the Canadian dollar which is the same currency as for the preparation and presentation of the financial statements in accordance with the standards described in IAS 21 - Effects of Changes in Foreign Exchange Rates. The functional currency of the Company is the Canadian dollar and the functional currency of the Company’s operating subsidiary in Brazil is the Brazilian real.

Transactions in foreign currency are translated at the exchange rate on the date of each transaction. Monetary assets and liabilities in foreign currencies are translated into the functional currency using the exchange rate on the closing date. Gains and losses from changes in exchange rates on assets and liabilities are recognized in the income statement. Non-monetary assets and liabilities acquired or contracted in foreign currencies are converted using the exchange rates at the transaction dates or dates of valuation to fair value at the period end.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and highly liquid financial investments, and are valued at cost plus income accrued up to the balance sheet date.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset, and that event has an impact on the estimated future cash flows of the financial asset or group of financial assets.

<u>Financial liabilities</u>

The Company classifies its financial liabilities into one of two categories as follows:
Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

The Company also provides disclosure about inputs used in making fair value measurements, including their classification within a hierarchy that prioritized their significance. Three levels of the fair value hierarchy are:
Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities
Level 2 – Inputs other than quoted market prices that are observable for the asset or liability either directly or indirectly, and
Level 3 – Inputs that are not based on observable market data.

Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is recognized using the straight-line method at the following annual rates:

Furniture and equipment	20%
Computer equipment	20%
Software and other intangibles	20%

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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, such amount not to exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Contingent assets and liabilities and legal obligations

Accounting practices for recording and disclosure of contingent assets and liabilities and legal obligations, when applicable, are as follows: (i) Contingent assets are recognized only when there are guarantees or favourable judicial decisions, final decisions. Contingent assets with probable successes are only disclosed in note form, (ii) contingent liabilities are accrued when losses are assessed as probable and the amounts involved can be measured with sufficient reliability. Contingent liabilities assessed as possible losses are only disclosed in note form, contingent liabilities assessed as remote losses are not accrued or disclosed, and (iii) legal obligations are recorded as required, regardless of the assessment of the likelihood of success of cases in which the Company challenged the constitutionality of taxes.

The Company did not constitute and is not releasing any contingencies as no process has been made recently.

Statement of Cash Flows

The Company presents cash flows from operating activities using the indirect method, whereby net profit or loss is adjusted for the effects of non-cash transactions, the effects of any deferrals or jurisdiction over appropriations for cash receipts or payments in past or future operating cash and the effects of items of income or expense associated with cash flows from investing activities or financing activities.

Under the indirect method, the net cash flow arising from operating activities is determined by adjusting the profit or loss for the effects of: i) variations in the period in operating receivables and payables; ii) items that are non-cash such as depreciation, provisions, deferred taxes, gains and losses and unrealized equity income, where applicable, and iii) all other items treated as cash flows arising from investing activities and financing.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 *Business Combinations* are recognized at their fair values at the acquisition date.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable losses; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similarly to basic earnings (loss) per share except that the weighted average shares outstanding is increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

New standards not yet adopted

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements.

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IASB has proposed to move the effective date of IFRS 9 to January 1, 2015.

IFRS 10 Consolidated Financial Statements ("IFRS 10")

For annual periods beginning on January 1, 2013, IFRS 10 will replace portions of IAS 27 Consolidated and Separate Financial Statements and interpretation SIC-12 Consolidation - Special Purpose Entities. The new standard requires consolidated financial statements to include all controlled entities under a single control model. The Company will be considered to control an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the current ability to affect those returns through its power over the investee. As required by this standard, control is reassessed as facts and circumstances change. Additional guidance is given on how to evaluate whether certain relationships give the Company the current ability to affect its returns, including how to consider options and convertible instruments, holding less than a majority of voting rights, how to consider protective rights, and principal agency relationships (including removal rights), all which may differ from current practice.

IFRS 10 is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IFRS 11 Joint Arrangements ("IFRS 11")

IFRS 11 applies to accounting for interests in joint arrangements where there is joint control. The standard requires the joint arrangements to be classified as either joint operations or joint ventures. The structure of the joint arrangement would no longer be the most significant factor when classifying the joint arrangement as either a joint operation or a joint venture. In addition, the option to account for joint ventures (previously called jointly controlled entities) using proportionate consolidation will be removed and replaced by equity accounting.

IFRS 11 is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IFRS 12 Disclosure of Interests in Other Entities ("IFRS 12")

IFRS 12 includes disclosure requirements about subsidiaries, joint ventures, and associates, as well as unconsolidated structured entities and replaces existing disclosure requirements. Due to this new section, the Company will be required to disclose the following: judgments and assumptions made when deciding how to classify involvement with another entity, interests that non-controlling interests have in consolidated entities, and the nature of the risks associated with interests in other entities.

IFRS 12 is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IFRS 13 Fair Value Measurement ("IFRS 13")

IFRS 13 will converge the IFRS requirements for how to measure fair value and the related disclosures. IFRS 13 establishes a single source of guidance for fair value measurements, when fair value is required or permitted by IFRS. Upon adoption, the Company will provide a single framework for measuring fair value while requiring enhanced disclosures when fair value is applied. In addition, fair value will be defined as the 'exit price' and concepts of 'highest and best use' and 'valuation premise' would be relevant only for non-financial assets and liabilities.

IFRS 13 is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IAS 19 – Employee Benefits ("IAS 19")

IAS 19 was amended by the IASB in November 2011 and the amendment introduces changes to the accounting for defined benefit plans and other employee benefits. The amendments include elimination of the options to defer, or recognize in full in earnings, actuarial gains and losses and instead mandates the immediate recognition of all actuarial gains and losses in other comprehensive income and requires use of the same discount rate for both the defined benefit obligation and expected asset return when calculating interest cost. Other changes include modification of the accounting for termination benefits and classification of other employee benefits.

The amendments to IAS 19 are required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IAS 27- Separate Financial Statements ("IAS 27")

IAS 27 was amended by the IASB in September 2011 and the amendments have the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, associates when the entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements.

The amendments to IAS 27 are required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IAS 28 – Investments in Associates and Joint Ventures ("IAS 28")

IAS 28 was amended by the IASB in September 2011 and the amendments prescribe the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture).

The amendments to IAS 28 are required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

IAS32-Financial Instruments - Presentations ("IAS 32")

Amendments to IAS 32, *Financial Instruments: Presentation,* are effective for annual periods beginning on or after January 1, 2014. This provides for amendments relating to offsetting financial assets and financial liabilities. The Company has not yet completed its assessment of the impact of the standard, but does not expect that its adoption will have any significant effect on its financial statements.

4, ACQUISITION OF FTC CARDS PROCESSAMENTO e SERVICOS de FIDELIZACAO LTDA.

The Company acquired its 90.5 per cent interest in its operating subsidiary in exchange for the issue of 58, 351,052 common shares of its capital as part of the Arrangement Agreement as described in note 1 on July 3, 2012 from its former parent company, CTF Technologies Inc., a related party. As a consequence, the value of the assets acquired and the liabilities assumed were valued at their respective recorded amounts, which approximate their fair values, and the value of the shares issued to CTF amounted to the net of these assumed assets and liabilities as at July 3, 2012 converted at the prevailing exchange rate for the Brazilian real of $0.5072, as below:

(Expressed in Canadian Dollars)

Assets acquired	
Cash	$ 257,586
Other current assets	1,236
Intangible assets	9,488,642
	9,747,464
Liabilities assumed	
Accounts payable	1,132,984
Net assets acquired	$8,614,480
Value attributed to its 90.5 % interest for shares issued	$7,796,106
Value attributed to 9.5 % minority interest	818,374
Total	$8,614,480

Also pursuant to the terms of the acquisition and spin out, the Company received cash of US$500,000 (Cdn $509,000) for funding its corporate activities. Consequently, the total value of the 58,351,052 shares issued included the value of assets acquired and the proceeds from the spin out as:

Value of assets acquired	$7,796,106
Cash received	509,000
Value of shares issued pursuant to the Arrangement Agreement	$8,305,106

5. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value

Issued

The capital was subscribed and paid in the amount of $ 1 on March 9, 2012, consisting of 1 common share with no par value. On July 3, 2012 pursuant to the terms of the Arrangement Agreement, (note 4,) the Company acquired all of the shares of FTC Brasil from its former parent, CTF Technologies Inc., in exchange for 58,351,052 common shares, and these shares were in turn dividended by CTF to its shareholders, at which time the Company became a reporting issuer in the Province of British Columbia.

There were no warrants or options issued during the period and there were no warrants or options outstanding at

September 30, 2013.

6. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprising all components of equity.

The Company is not subject to externally imposed capital requirements. The Company does not pay dividends. There were no changes to the Company's capital management strategies during the interim period ended September 30, 2013.

The Company intends to raise additional working capital as required by the issuance of its common shares in the future.

7. RELATED PARTY TRANSACTIONS

The financial statements include the financial statements of FTC Cards Inc. and its subsidiary listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
FTC Cards Processamento e Servicos de Fidelizacao Ltda.	Sao Paulo, Brazil	90.5%	Operating company

8. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

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

Fair value of financial instruments

The Company has various financial instruments including cash and cash equivalents, investment in shares, accounts receivable and accounts payable and accrued liabilities. Cash and cash equivalents and investment in shares are carried at fair value using a level 1 fair value measurement. The carrying values of receivables and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held in large Canadian and Brazilian financial institutions in interest bearing accounts.

The Company's accounts receivable consist mainly of GST and VAT receivable due from the governments of Canada and Brazil respectively.

Fair Value Hierarchy

	Level 1 $	Level 2 $	Level 3 $
Cash and Financial instruments	533,633		
Investment in shares	170,000		

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined in Note 6 above. Accounts payable relating to the Company's operations and other accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

   Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

   The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is minimal because these investments roll over frequently.

b) Foreign currency risk

   The Company's subsidiary operates in Brazil and consequently is subject to fluctuations in the exchange rate of the Brazilian real to the Canadian dollar. The Company does not undertake any hedging activity against this significant foreign currency risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices, particularly fuel, as the Company's revenues directly reflect the pricing of fuel sold to fleet and vehicle owners. The Company currently does not undertake any hedging activity against this exposure.

The Company currently maintains investments in certain marketable securities. There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of these securities.

8. SEGMENTED INFORMATION

The Company operates in one reportable segment, providing financial services to its customers in Brazil. Effectively all of the Company's, operations, and assets are in Brazil and all of its revenues are generated in Brazil.

9. EVENTS AFTER THE REPORTING DATE

None.