

The London Silver Market Fixing Limited

Directors' Report and Financial Statements
For the year ended 31 October 2014



The London Silver Market Fixing Limited

Company Information

Directors

Simon Weeks
Eric Parker
David Rose
David Wilkinson (Alternate director to Simon Weeks)
Peter Drabwell (Alternate director to David Rose)

Secretary

Hackwood Secretaries Limited

Company number

03685039

Registered office

1 Silk Street
London
EC2Y 8HQ

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Business address

Glendown,
Southfields Road
Woldingham
Surrey
CR3 7BG

The London Silver Market Fixing Limited

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The London Silver Market Fixing Limited

Directors' report

For the year ended 31 October 2014

The directors present their report and financial statements for the year ended 31 October 2014

The company was incorporated to take on the promotion, administration and conduct of London Silver Market Fixing. The company promoted its activities via its own website until 14 August 2014 when the daily silver fixing ceased.

Directors

The following directors have held office since 1 November 2013

Simon Weeks	
Matthew Keen	(Resigned 20 January 2014)
Kevin Rodgers	(Appointed 20 January 2014 and resigned 22 May 2014)
Eric Parker	(Appointed 22 May 2014 and resigned 14 August 2014)
David Rose	
David Wilkinson (alternative to Simon Weeks)	
James Vorley (alternative to Matthew Keen and Kevin Rodgers)	(Resigned 22 May 2014)
Peter Drabwell (alternative to David Rose)	

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

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 year. 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,
- 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

The London Silver Market Fixing Limited

Directors' report (Continued)

For the year ended 31 October 2014

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Simon Weeks

Director

1st APRIL 2015

The London Silver Market Fixing Limited

Independent Auditors' Report to the Members of The London Silver Market Fixing Limited

We have audited the financial statements of The London Silver Market Fixing Limited for the year ended 31 October 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the 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. 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 Annual Report 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 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 October 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and

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.

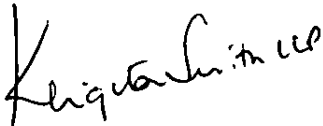
The London Silver Market Fixing Limited

Independent Auditors' Report to the Members of The London Silver Market Fixing 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from preparing a Strategic Report



Jonathan Sutcliffe (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

21/4/2015

Chartered Accountants
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

The London Silver Market Fixing Limited

Profit and Loss Account

For the year ended 31 October 2014

	Notes	2014 £	2013 £
Turnover	2	167,321	45,302
Administrative expenses		(111,565)	(59,426)
Operating profit/(loss)	3	55,756	(14,124)
Other interest receivable and similar income	4	9	-
Profit/(loss) on ordinary activities before taxation		55,765	(14,124)
Tax on profit/(loss) on ordinary activities	5	(9,747)	1,419
Profit/(loss) for the year	8	46,018	(12,705)

The London Silver Market Fixing Limited

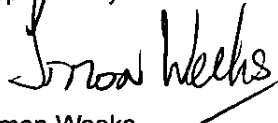
Balance Sheet

As at 31 October 2014

	Notes	2014 £	£	2013 £	£
Current assets					
Debtors	6	1,991		16,392	
Cash at bank and in hand		55,158		34,301	
		<u>57,149</u>		<u>50,693</u>	
Creditors: amounts falling due within one year	7	(14,307)		(53,869)	
Total assets less current liabilities			<u>42,842</u>		<u>(3,176)</u>
Capital and reserves					
Profit and loss account	8		<u>42,842</u>		<u>(3,176)</u>
Shareholders' funds			<u>42,842</u>		<u>(3,176)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 15TH APRIL 2015



Simon Weeks
Director

Company Registration No. 03685039

The London Silver Market Fixing Limited

Balance Sheet (Continued)

As at 31 October 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The daily silver fixings conducted by the Company ceased from close of business on 14 August 2014 and the activity of the Company ceased on this date. It is not the intention of the Directors to wind up the Company and the Directors believe that the Company will continue to meet its liabilities as they fall due. These accounts have been prepared on a Going Concern basis as there would be no material difference to the accounts if they were prepared on a break up basis.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.4 Turnover

Turnover represents amounts due in respect of licence fee income. Licence fee income is recognised as revenue in the period in which services are provided.

2 Turnover

In the year to 31 October 2014 20% (2013 - 73%) of the company's turnover was to markets outside the United Kingdom

	2014	2013
	£	£
3 Operating profit/(loss)		
Operating profit/(loss) is stated after charging		
Auditors' remuneration	1,567	2,273
	<u> </u>	<u> </u>
4 Investment income		
	2014	2013
	£	£
Bank interest	9	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

The London Silver Market Fixing Limited

Balance Sheet (Continued)

As at 31 October 2014

5	Taxation	2014 £	2013 £
	Domestic current year tax		
	U K corporation tax	9,747	(1,419)
	Total current tax	<u>9,747</u>	<u>(1,419)</u>

The company has estimated losses of £ nil (2013 - £ 7,031) available for carry forward against future trading profits

6	Debtors	2014 £	2013 £
	Trade debtors	-	10,000
	Other debtors	1,991	6,392
		<u>1,991</u>	<u>16,392</u>

7	Creditors, amounts falling due within one year	2014 £	2013 £
	Taxation and social security	9,747	-
	Other creditors	4,560	53,869
		<u>14,307</u>	<u>53,869</u>

8	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 November 2013	(3,176)
	Profit for the year	46,018
	Balance at 31 October 2014	<u>42,842</u>

The London Silver Market Fixing Limited

Balance Sheet (Continued)

As at 31 October 2014

9 Contingent liabilities

The London Silver Market Fixing Limited and its previously three members (now two members following the resignation of Deutsche Bank AG - see note below) have been named as defendants in class action lawsuits pending in the United States Court for the Southern District of New York in connection with their roles in setting the London benchmark silver price. The complaints allege, amongst other things, that the London Silver Market Fixing Limited and the member banks collectively violated various provisions of the Sherman Act, the Commodity Exchange Act, the Commodity Futures Trading Commission (CFTC) rule 180 1(a) and various state laws by manipulating the London benchmark silver price. The lawsuits seek unspecified amount of damages and trebling of damages under the Sherman Act.

The directors believe that the lawsuits are without grounds and that The London Silver Market Fixing Limited is not liable as a result. They intend to defend the lawsuits vigorously and it is currently not practicable to provide an estimate of the financial impact of the potential exposure of the action described or what effect if any that it might have upon the operating results, cash flows of The London Silver Market Fixing Limited's financial position in any particular period.

10 Control

The company is limited by guarantee and as such has no share capital.

11 Related party relationships and transactions

The following were members of The London Silver Market Fixing Limited during the financial year:
The Bank of Nova Scotia
HSBC plc
Deutsche Bank AG (resigned 14 August 2014)

Membership subscriptions in the year from these banks amounted to £120,000 (2013: £Nil).

The London Silver Market Fixing Limited currently banks with HSBC Bank plc, one of its members.

The London Silver Market Fixing Limited

Management Information

For the year ended 31 October 2014

The London Silver Market Fixing Limited

Detailed Trading and Profit and Loss Account

For the year ended 31 October 2014

	£	2014 £	£	2013 £
Turnover				
License fee		47,321		45,302
Membership Levy		120,000		-
		<u>167,321</u>		<u>45,302</u>
Administrative expenses		(111,565)		(59,426)
Operating profit/(loss)		55,756		(14,124)
Other interest receivable and similar income				
Bank interest received		9		-
Profit/(loss) before taxation		<u>55,765</u>		<u>(14,124)</u>

The London Silver Market Fixing Limited

Schedule of Administrative Expenses

For the year ended 31 October 2014

	2014	2013
	£	£
Administrative expenses		
Administration Expenses	6,293	4,551
Website costs	15,323	51,022
Legal and prof fees	83,426	-
Accountancy	4,956	1,580
Audit fees	1,567	2,273
	<u>111,565</u>	<u>59,426</u>
