

# The London Gold Market Fixing Limited

Company No. 02891916

## Financial Statements For the year ended 31 March 2006



# The London Gold Market Fixing Limited

(Limited by Guarantee)

Report of the Directors and Financial Statements  
for the year ended 31 March 2006

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# The London Gold Market Fixing Limited

## Report of the Directors

The directors present their annual report and the audited financial statements for the year ended 31 March 2006.

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### Principal Activities and Business Review

The principal activity of the Company during the year was the promotion, administration and conduct of the London Gold Market Fixings. The results for the year are set out in the profit and loss account on page 7.

### Proposed Dividend

The directors do not recommend the payment of a dividend for the year (2005: £nil).

### Directors and Directors' Interests

The directors who held office during the year were as follows:

#### Alternate Directors:

Jeremy Charles  
François Combes  
Benoit de Vitry  
Rick McIntire  
Simon Weeks

David Rose  
Alan Morris  
Martyn Whitehead  
Matthew Keen (appointed 03/03/2006)  
Steven Lowe

None of the directors who held office at the end of the financial year had any disclosable interest in the Company.

### Auditors

On 1st May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP under the provision of section 26(5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

# The London Gold Market Fixing Limited

## Report of the Directors (continued)

### Small company rules

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005).

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On behalf of the board



Jeremy Charles

Director

One Silk Street, London EC2Y 8HQ

Date: 8<sup>TH</sup> JANUARY 2007

# Statement of Directors' Responsibilities in Relation to Financial Statements

The directors have responsibility for ensuring that the Company keeps proper accounting records which 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 1985. They are required by law to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss for the year. They are also responsible for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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The directors consider that appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these financial statements on a going concern basis, and that applicable accounting standards have been followed. These policies and standards, for which the directors accept responsibility, have been discussed with the auditors. The directors are required to use the going concern basis in preparing the financial statements unless this is inappropriate.

At the time the financial statements are approved, the Directors are aware:

- a) that there is no relevant audit information of which the auditors are unaware; and
- b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

# Report of the Independent Auditors, Kingston Smith LLP, to the members of The London Gold Market Fixing Limited

We have audited the financial statements of The London Gold Market Fixing Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. 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

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors Report and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements within it.

## Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

# Report of the Independent Auditors, Kingston Smith LLP, to the members of The London Gold Market Fixing Limited

## Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2006, and of its loss for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the Directors' Report is consistent with the financial statements.

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*Kingston Smith LLP*

Kingston Smith LLP  
Chartered Accountants  
And Registered Auditors

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Date: 15/1/07

# The London Gold Market Fixing Limited

## Profit and Loss Account

For the year ended 31 March 2006

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	Note	2006 £	2005 £
Subscription income	2	-	-
Interest receivable and similar income		841	1,378
Administrative expenses		(20,493)	(23,150)
Loss on ordinary activities before tax	3	(19,652)	(21,772)
Tax on profit on ordinary activities	5	-	5,732
Loss for the financial year		(19,652)	(16,040)
Retained profit brought forward		45,736	61,776
Retained profit carried forward		26,084	45,736

## Statement of Total Recognised Gains and Losses

A statement of total recognised gains and losses is not required as all recognised gains and losses incurred during the year are shown in the profit and loss account.

The notes on pages 9 to 11 form an integral part of these financial statements



# The London Gold Market Fixing Limited

## Balance Sheet

At 31 March 2006

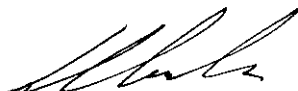
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	Note	2006 £	2006 £	2005 £	2005 £
<b>Fixed assets</b>					
Investments	6		3		3
<b>Current assets</b>					
Debtors	7	5,171		5,171	
Cash at bank		25,870		43,913	
		31,041		49,084	
Creditors: amounts falling due within one year	8	(4,960)		(3,351)	
Net current assets			26,081		45,733
Total assets less current liabilities			26,084		45,736
<b>Represented by</b>					
Profit and loss account			26,084		45,736

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Board of Directors on <sup>7</sup>8<sup>TH</sup> JANUARY 200~~6~~ and signed on its behalf by:

Director



The notes on pages 9 to 11 form an integral part of these financial statements

# The London Gold Market Fixing Limited

## Notes to the Financial Statements

For the year ended 31 March 2006

### 1. Guarantee

The Company is limited by guarantee. The liability of the members is limited to £10 each.

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### 2. Accounting Policies

The principal accounting policies which have been consistently adopted in the presentation of the financial statements are as follows:

#### a. Basis of presentation

The financial statements are prepared in accordance with Financial Reporting Standards for *Smaller Entities* (effective January 2005) and under the historical cost accounting rules.

The Company is exempt from the requirement of Financial Reporting Standard 1 (Revised 1996) to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

#### b. Subscription income

Subscription income is included in the financial statements on an accruals basis.

#### c. Deferred taxation

Full provision has been made for deferred tax liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

#### d. Depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Software development	3 years
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### 3. Profit on Ordinary Activities Before Tax

The auditor's remuneration was £1,760 (2005: £1,410). During the year the Company's auditors received £500 (2005: £441) for non-audit services.

### 4. Directors' Emoluments

None of the directors received any remuneration from the Company during the year (2005: £nil).

# The London Gold Market Fixing Limited

## Notes to the Financial Statements

For the year ended 31 March 2006

### 5. Tax on Profit on Ordinary Activities

Tax is based on the results for the year and comprises:

	2006 £	2005 £
<b>Current tax</b>		
United Kingdom corporation tax at 19% (2005: 19%)	-	-
Prior year adjustment	-	(561)
Corporation tax recoverable	-	(5,171)
	-	(5,732)
<b>Deferred tax</b>		
Tax losses carried forward	-	-
<b>Tax on profit on ordinary activities</b>	-	(5,732)

The current tax charge for the year may be explained as follows:

	2006 £	2005 £
Tax charge at corporation tax rate of 19% (2005: 19%)	-	-
Prior year adjustment	-	(561)
Tax losses utilised	-	(5,171)
<b>Current tax charge for the year</b>	-	(5,732)

Tax losses available to carry forward for use against future profits at 31<sup>st</sup> March 2006 were approximately £19,500 (2005: £nil).

### 6. Fixed Asset Investments

At 31 March 2006 the Company owned the whole of the issued share capital of The London Gold Futures Market Limited and the whole of the issued share capital of The London Gold Market Limited, dormant companies registered in England and Wales. The London Gold Futures Market Limited had net assets of £2 financed by issued and fully paid up ordinary share capital of £2 at 31 March 2006. The London Gold Market Limited had net assets of £1 financed by issued and fully paid up ordinary share capital of £1 at 31 March 2006.

In accordance with section 229(2) of the Companies Act 1985, group financial statements are not prepared as the subsidiary undertakings are not material. The financial statements present information about the undertaking as an individual undertaking and not about its Group.

# The London Gold Market Fixing Limited

## Notes to the Financial Statements

For the year ended 31 March 2006

### 7. Debtors: Amounts Falling Due Within One Year

	2006 £	2005 £
Corporation tax recoverable	5,171	5,171

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### 8. Creditors: Amounts Falling Due Within One Year

	2006 £	2005 £
Trade creditors	4,960	3,351
Corporation tax payable	-	-
	<b>4,960</b>	<b>3,351</b>

### 9. Registered Office

The Company's registered office is located at One Silk Street, London, EC2Y 8HQ

### 10. Related Party Transactions

The following were members of The London Gold Market Fixing Limited during the financial year:

Deutsche Bank AG

Barclays Bank Plc

HSBC Bank USA

The Bank of Nova Scotia

Societe Generale

The company's subscription income is devired from the members in equal shares.