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THE LONDON GOLD MARKET FIXING LIMITED
(LIMITED BY GUARANTEE)

Report of the Directors and Financial Statements for the year ended 31st March 2001

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REGISTERED NUMBER: 2891916

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 31st March 2001.

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 5.

PROPOSED DIVIDEND

The directors do not recommend the payment of a dividend for the year (2000: £nil).

DIRECTORS AND DIRECTORS' INTERESTS

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

Clive Turner	(Chairman)
Jeremy Charles	
Michael Heald	(Resigned 8th June 2000)
Tim Jones	(Resigned 12th October 2000)
Rick McIntire	
Simon Ford	(Appointed 8th June 2000)
Simon Weeks	(Appointed 18th October 2000)


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

AUDITORS

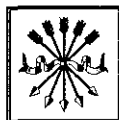
In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board
N M Rothschild & Sons Limited

Secretary

 *in o.*
New Court
St. Swithin's Lane
London EC4P 4DU

2001



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 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.

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.



REPORT OF THE AUDITORS, KPMG AUDIT PLC, TO THE MEMBERS OF THE LONDON GOLD MARKET FIXING LIMITED

We have audited the financial statements on pages 5 to 9.

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 responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by the profession's ethical guidance.

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. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the Group is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with Auditing Standards 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st March 2001, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

19 July 2001

KPMG Audit Plc



PROFIT AND LOSS ACCOUNT

for the year ended 31st March 2001

		2001	2000
		£	£
Note 2	Subscription income	50,000	5,000
	Interest receivable and similar income	8	-
	Administrative expenses	(1,488)	(1,885)
Note 3	PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	48,520	3,115
Note 5	Tax on profit on ordinary activities	(9,702)	(623)
	RETAINED PROFIT FOR THE FINANCIAL YEAR	38,818	2,492
	Retained profit brought forward	4,665	2,173
	RETAINED PROFIT CARRIED FORWARD	43,483	4,665

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 7 to 9 form an integral part of these financial statements.



BALANCE SHEET

at 31st March 2001

	2001	2001	2000	2000
	£	£	£	£
	<u>FIXED ASSETS</u>			
Note 6	Investments	3		3
	<u>CURRENT ASSETS</u>			
	Cash at bank	53,182	5,961	
		53,182	5,961	
Note 7	CREDITORS: amounts falling due within one year	(9,702)	(1,299)	
	<u>NET CURRENT ASSETS</u>	43,480		4,662
	TOTAL ASSETS LESS			
	<u>CURRENT LIABILITIES</u>	43,483		4,665
	<u>REPRESENTED BY</u>			
	Profit and loss account	43,483		4,665

Approved by the Board of Directors on 17th July 2001 and signed on its behalf by:

Chrus.

Clive Turner

Chairman

The notes on pages 7 to 9 form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

1

Guarantee

The Company is limited by guarantee. The liability of the members is limited to £10 each (total £50).

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 applicable accounting standards 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 when received.

3

Profit on
Ordinary
Activities
Before Tax

The audit fee is paid by N M Rothschild & Sons Limited in whose financial statements the costs are disclosed. During the year the Company's auditors received £1,175 (2000: £881) for non-audit services.

4

Directors'
Emoluments

None of the directors received any remuneration from the Company during the year (2000: £nil).



NOTES TO THE FINANCIAL STATEMENTS

5

Tax on Profit on Ordinary Activities

	2001	2000
	£	£
United Kingdom corporation tax at 20% (2000: 20%)	9,702	623

6

Fixed Asset Investments

At 31st March 2001 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 31st March 2001. The London Gold Market Limited had net assets of £1 at 31st March 2001.

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.

7

Creditors: Amounts Falling Due Within One Year

	2001	2000
	£	£
Other creditors including taxation and social security:		
Other creditors	-	676
Corporation tax payable	9,702	623
	9,702	1,299



NOTES TO THE FINANCIAL STATEMENTS

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Related Party Transactions

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

Deutsche Bank AG

N M Rothschild & Sons Limited

HSBC Bank USA

The Bank of Nova Scotia

HSBC Bank plc (to 30th May 2000)

Credit Suisse First Boston International Limited (from 30th May 2000)

The Company entered into transactions with the above companies as follows:

Subscription income for membership of The London Gold Market Fixing Limited

	£
Deutsche Bank AG	10,000
N M Rothschild & Sons Limited	10,000
HSBC Bank USA	10,000
The Bank of Nova Scotia	10,000
Credit Suisse First Boston International Limited	10,000
	50,000

Administrative expenses – secretarial fee

	£
N M Rothschild & Sons Limited	294

Bank charges

	£
HSBC Bank plc	5

At the end of the year the Company held cash of £53,182 (2000: £5,961) at HSBC Bank plc.

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Registered Office

The Company's registered office is located at New Court, St Swithin's Lane, London, EC4P 4DU.