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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 1996

REGISTERED NUMBER: 2891916

Report of the Directors	page 2
Statement of Directors' Responsibilities in Relation to Financial Statements	4
Report of the Auditors	5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8



Report of the Directors

The directors present their annual report and the audited financial statements for the year to 31st March 1996.

Principal Activities

The principal activity of the Company during the year was the promotion, administration and conduct of the London Gold Market Fixings.

Business Review

The results for the year are set out in the profit and loss account on page 6.

Proposed Dividend

The directors do not propose a dividend for the year.

Directors and Directors' Interests

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

Robert Ashley (<i>Chairman</i>)	(appointed 9th May 1996)
Alan Baker	
John Bishop (<i>Chairman</i>)	(resigned 9th May 1996)
Jeremy Charles	(appointed 2nd February 1996)
Dickran Gazmararian	(resigned 2nd February 1996)
Michael Heald	
Tim Jones	(appointed 19th January 1996)
Philip Wilson	(resigned 18th January 1996)

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

THE LONDON GOLD MARKET FIXING LIMITED

Report of the Directors

Auditors

Our auditors KPMG have indicated that a limited liability company, KPMG Audit Plc, is to undertake part of their audit business. Accordingly, a resolution is to be proposed at the Annual General Meeting for the appointment of KPMG Audit Plc as auditors of the Company.

By Order of the Board
N M Rothschild & Sons Limited

Secretary



New Court
St. Swithin's Lane,
London EC4P 4DU

17th May 1996

Statement of Directors' Responsibilities in Relation to Financial Statements

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Report of the Auditors

to the members of The London Gold Market Fixing Limited

We have audited the financial statements of pages 6 to 8.

Respective Responsibilities of Directors and Auditors

As described on page 4 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG

Chartered Accountants

Registered Auditors

London

17th May 1996

Profit and Loss Account

for the year ended 31st March 1996

	1996 £	1995 £
Subscription income	-	25,000
Administrative expenses	(377)	(24,307)
OPERATING (LOSS)/PROFIT	(377)	693
Interest receivable	-	78
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(377)	771
<i>Note 5</i> Tax on (loss)/profit on ordinary activities	(254)	-
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR	(631)	771
Retained profit brought forward	771	-
RETAINED PROFIT CARRIED FORWARD	140	771

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 page 8 form an integral part of these financial statements.

THE LONDON GOLD MARKET FIXING LIMITED
LIMITED BY GUARANTEE

Balance Sheet

at 31st March 1996

	1996 £	1995 £
ASSETS		
FIXED ASSETS		
<i>Note 4</i> Investments	3	3
CURRENT ASSETS		
Cash at bank	137	768
	<u>140</u>	<u>771</u>
REPRESENTED BY:		
Profit and loss account	<u>140</u>	<u>771</u>



Robert Ashley
Chairman

Approved by the board of Directors on th17 May 1996.

The notes on page 8 form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31st March, 1996

1 GUARANTEE	The Company is limited by guarantee. The liability of the members is limited to £10 each (total £50).		
2 ACCOUNTING POLICIES	<p>The principal accounting policies which have been consistently adopted in the presentation of the financial statements are as follows:</p> <p><i>Basis of preparation</i></p> <p>The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.</p> <p>The Company is exempt from the requirement of Financial Reporting Standard 1 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.</p> <p><i>Subscription income</i></p> <p>Subscription income is included in the financial statements when received.</p>		
3 DIRECTORS' EMOLUMENTS	None of the directors received any remuneration from the Company during the year. The Company employs no staff.		
4 FIXED ASSETS INVESTMENTS	<p>At 31 March 1996 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 1996. 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 1996.</p> <p>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.</p>		
5 TAX ON (LOSS)/ PROFIT ON ORDINARY ACTIVITIES		1996 £	1995 £
	Underprovision relating to prior year	(254)	-