

Spread Betting Association Limited

Directors' annual report and financial statements

30 June 2013

MONDAY



A12 *A31EJIUR* #47
10/02/2014
COMPANIES HOUSE

Spread Betting Association Limited

Registered No 03207689

Directors

S D Denham
J G Hufford
S Judge
S H J Mansell
B E Messer
C Knott
M Maydon
S R Bird
L Pui
B Callan
C M Foley (resigned 19th December 2012)
S Lockett (resigned 19th December 2012)

Company Secretary

B E Messer

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London SE1 2RT

Bankers

Lloyds TSB Bank Plc
4th Floor Hay Lane House
London SE1 2HA

Solicitors

Joelson Wilson & Co
70 New Cavendish Street
London W1M 8AT

Registered Office

Cannon Bridge House
25 Dowgate Hill
London EC4R 2YA

Directors' Statutory Report

The Directors have pleasure in presenting their report together with the audited financial statements of Spread Betting Association Limited ("the Company") for the year ended 30 June 2013

Principal activities

The principal activity of the Company is that of a trade association for firms operating in the spread betting market with the objective of promoting the common interests of its members

Results and dividends

The profit for the year was £130 (2012 £405) The Directors do not recommend the payment of a dividend (2012 £nil)

Review of business and likely future development

Both the level of business and the year end financial position were as expected and the Directors do not anticipate any significant changes in the present level of activity

The Directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources to continue in operation for the foreseeable future For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements

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

Directors

The Directors of the Company who held office during the year and up to the date of this report were as follows

S D Denham

J G Hufford

S Judge

S H J Mansell

B E Messer

C Knott

M Maydon

S R Bird

L Pui

B Callan

C M Foley (resigned 19th December 2012)

S Luckett (resigned 19th December 2012)

Supplier payment policy and practice

The Company does not incur significant costs and does not follow any stated code on payment practice

Donations

The Company made no charitable or political donations during the year (2012 £nil)

Subsequent events

There have been no significant events since the year-end date

Registered No 03207689

Directors' Statutory Report

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an AGM

Directors' statement as to disclosure of information to auditors

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Each Director has taken all the steps that he is obliged to take as a Director in order to make him aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

By order of the Board



B Messer

Director

7th November 2013

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 prepared 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,
- state whether applicable UK 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 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.

By order of the Board



B Messer

Director

7th November 2013

Independent auditors report to the members of Spread Betting Association Limited

We have audited the financial statements of Spread Betting Association Limited for the year ended 30 June 2013 which comprise Profit and Loss Statement, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' annual report and financial statements to identify material inconsistencies with the audited financial statements. 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 30 June 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

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.

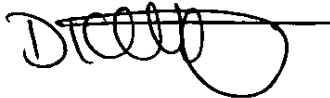
Independent auditor's report

to the members of Spread Betting Association 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 financial statements in accordance with the small company regime



Darren Ketteringham (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

7th November 2013

Profit and loss statement

for the year ended 30 June 2013

		2013	2012
		£	£
	<i>Notes</i>		
Turnover	3	3,602	5,480
Administrative expenses	11	(3,602)	(3,483)
Exceptional items	2	-	(1,491)
<i>Profit on ordinary activities before taxation</i>		-	506
Tax credit/(expense)	5	130	(101)
<i>Profit for the financial year</i>		130	405

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalent

The results of the Company are wholly attributable to continuing operations

There were no recognised gains or losses or movements in total funds other than those included in the profit and loss account above, and therefore a separate statement of total recognised gains and losses has not been presented

The notes on pages 9 to 12 are an integral part of these financial statements

Balance sheet

As at 30 June 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	32	8,407
Cash and cash equivalents	7	11,884	3,419
		<u>11,916</u>	<u>11,826</u>
Creditors amounts falling due within one year	8	(3,688)	(3,728)
Net current assets		<u>8,228</u>	<u>8,098</u>
Capital and reserves			
Called up share capital	9	—	—
Profit and loss account	10	8,228	8,098
Total funds		<u>8,228</u>	<u>8,098</u>

The notes on pages 9 to 12 are an integral part of these financial statements

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime

Approved and signed by order of the Board of Directors by



B Messer

Director

7th November 2013

Registered number 03207689

Notes to the Financial Statements

for the year ended 30 June 2013

1. Accounting policies

The Company's financial statements have been prepared in accordance with the Companies Act 2006

The significant accounting policies of the Company are as follows

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards in the UK and under the historical cost convention. All accounting policies that follow below have been consistently applied in the preparation of the Company's financial statements

Going concern

The Directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements

Taxation

The income tax expense represents the sum of tax currently payable and movements in deferred tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Profit and Loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Balance sheet date

Debtors and creditors

Debtors represent balances with members of the association as a result of fees that have been levied in order to pay expenses. These assets are carried at amortised cost using the effective interest method if the time value of money is significant. A provision for impairment is established where there is objective evidence of non-collectability. The provision is subject to management review

Creditors represent balances with supplier's payable by the Company and are recognised at amortised cost using the effective interest rate method if the time value of money is significant

Turnover

Turnover represents contributions made by its members. Contributions are invoiced to member companies in advance to ensure that future expenses can be covered as they are incurred. As such a proportion of contributions levied each year are deferred to pay anticipated obligations which may fall due in the following year

Cash flow statement

The Company qualifies as a small Company under the Companies Act 2006 and therefore no cash flow statement is presented as permitted by Financial Reporting Standard 1 ('revised 1996') "Cash Flow Statements"

2. Operating profit

Operating profit is stated after charging

	2013	2012
	£	£
Auditor's remuneration – audit fees	3,570	3,480
Exceptional items (note 10)	-	(1,491)

Exceptional items in the prior year relate to the write off of balances related to members MF Global and Worldspreads of £1,409 and write off of £82 corporation tax debtor

Notes to the Financial Statements

for the year ended 30 June 2013

3. Turnover

The Company's activities consist solely of the trade association for firms operating in the spread betting market, with the objective of promoting the common interests of its members

4. Directors' emoluments and employee information

The Directors did not receive any emoluments in respect of their services to the Company (2012 £nil) The Company had no employees during the year (2012 £nil)

5. Taxation

(a) Tax on profit on ordinary activities

	2013	2012
	£	£
Corporation tax on profit for the year	(130)	101

The tax assessed for the year is lower (2012 lower) than the standard rate of corporation tax in the UK of 20% (2012 20%)

(b) Factors affecting tax charge in current year

	2013	2012
	£	£
Profit on ordinary activities before taxation	-	506
Profit on ordinary activities before taxation multiplied by the UK standard tax rate of 20% (2012 20%)	-	101
Effects of		
Prior year adjustment	(130)	-
Tax (credit)/charge for the year	(130)	101

6. Debtors

	2013	2012
	£	£
Other debtors	32	8,407
	32	8,407

7. Cash and cash equivalents

	2013	2012
	£	£
Cash at bank and in hand	11,884	3,419

Notes to the Financial Statements

for the year ended 30 June 2013

8. Creditors: amounts falling due within one year

	2013	2012
	£	£
Corporation tax	-	248
Other creditors	118	-
Accruals	3,570	3,480
	<u>3,688</u>	<u>3,728</u>

9. Called up share capital

The Company is limited by guarantee. The members of the Company have agreed to contribute £1 each to the assets of the Company in the event of its being wound up.

10. Profit and loss account

	2013	2012
	£	£
Balance at beginning of the year	8,098	7,693
Profit for the financial year	130	405
	<u>8,228</u>	<u>8,098</u>

11. Related party transactions and controlling entities

Included within reported turnover are amounts charged to the Company's members

	2013	2012
	£	£
Member trading name		
IG Index	327	316
Spreadex	327	316
Sporting Index	327	316
Cantor Index	327	316
City Index	327	316
London Capital Group	327	316
CMC Markets	327	316
ETX Capital	327	316
GFT Global Markets	327	316
Saxo Capital Markets UK Limited	327	1,316
FOREX Capital	327	1,316

These were all members of the Company during the year and jointly comprised its controlling parties

During year ended 30 June 2012, MF Global and Worldspreads, two of Company's members went into administration. Trade receivable balances with those members totalled £1,409 and have been written off during the year.

Notes to the Financial Statements

for the year ended 30 June 2013

11. Related party transactions and controlling entities (continued)

Included within other creditors are amounts payable by the Company to members

	2013	2012
	£	£
Member trading name		
IG Index	118	-
	<u>118</u>	<u>-</u>

During year ended 30 June 2013, IG Index has paid Corporation Tax liability on behalf of the Company

Included within other debtors are amounts receivable from the Company's members

	2013	2012
	£	£
Member trading name		
IG Index	2	1,541
Spreadex	3	616
Sporting Index	3	616
Cantor Index	3	616
City Index	3	616
London Capital Group	3	1,269
CMC Markets	3	1,269
ETX Capital	3	616
GFT Global Markets	3	616
Saxo Capital Markets UK Limited	3	316
FOREX Capital	3	316
	<u>32</u>	<u>8,407</u>

These were all members of the Company during the year and jointly comprised its controlling parties

12. Subsequent events

There have been no significant events since the year-end date

13. Financial statements

The Company's financial statements are available from Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA