

# **CFD & FX Association Limited**

## **Annual Report and Financial Statements**

**Year ended 30 June 2020**

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COMPANIES HOUSE

## CFD & FX Association Limited

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**Directors**

B S Callan  
M H Chowdhury  
J G Hufford  
B E Messer  
D A Rotsztain  
A Tahmassebi (resigned 30 September 2019)  
N D J Iggulden (appointed 30 September 2019)  
G J Foley (resigned 15 October 2019)  
D F Worsfold (appointed 15 October 2019)

**Company Secretary**

T Lee (resigned 13 December 2019)

**Bankers**

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

**Solicitors**

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

**Registered Office**

c/o IG Group  
Cannon Bridge House  
25 Dowgate Hill  
London EC4R 2YA

**Registered number**

03207689

## CFD & FX Association Limited

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### Directors' Report

The Directors have pleasure in presenting their report together with the Financial Statements of CFD & FX Association Limited ("the Company") for the year ended 30 June 2020.

**Principal activities:** The principal activity of the Company is that of a trade association for firms operating in the spread betting and foreign exchange markets with the objective of promoting the common interests of its member firms.

**Results and dividends:** The Company made a loss in the year of £nil (2019: loss of £3,716). The Directors do not recommend the payment of a dividend (2019: £nil).

**Review of business and future development:** The level of business activity and the year-end financial position were as expected and the Directors do not anticipate any significant changes in the future.

This report has been prepared in accordance with the special provisions relating to small companies in 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:

B S Callan  
M H Chowdhury  
J G Hufford  
B E Messer  
D A Rotsztain  
A Tahmassebi (resigned 30 September 2019)  
N D J Iggulden (appointed 30 September 2019)  
G J Foley (resigned 15 October 2019)  
D F Worsfold (appointed 15 October 2019)

**Subsequent events:** There were no subsequent events up to the date of this report.

#### Going concern

The Directors have prepared the Financial Statements on a going concern basis which requires the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Directors have reviewed the Company's processes to control the risks to which the Company is exposed. As a result of this review 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.

#### Audit exemption statement

For the year ended 30 June 2020, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the Board

DocuSigned by:



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Director

B E Messer  
6 July 2021

CFD & FX Association Limited

## Statement of Directors' Responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

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 Financial Reporting Standard 102 (FRS 102) and in accordance with the Companies Act 2006. 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 the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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 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.

On behalf of the Board

DocuSigned by:

*Bridget Messer*

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Director

B E Messer

6 July 2021

## CFD &amp; FX Association Limited

**Income Statement****for the year ended 30 June 2020**

	Note	Year ended 30 June 2020 £	Year ended 30 June 2019 £
Turnover	3	60	5,000
Operating expenses	4	(60)	(8,716)
<b>Loss before taxation</b>		-	<b>(3,716)</b>
Taxation	6	-	-
<b>Loss for the year</b>		-	<b>(3,716)</b>

The results of the Company are from continuing operations. The Company has no items of other comprehensive income.

## CFD &amp; FX Association Limited

**Statement of Financial Position**

as at 30 June 2020

	Note	30 June 2020 £	30 June 2019 £
<b>Current assets</b>			
Debtors	7	7,708	11,070
Cash and Cash equivalents		23,570	20,208
<b>TOTAL ASSETS</b>		<b>31,278</b>	<b>31,278</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors		29,036	29,036
<b>TOTAL LIABILITIES</b>		<b>29,036</b>	<b>29,036</b>
<b>NET ASSETS</b>		<b>2,242</b>	<b>2,242</b>
<b>Equity</b>			
Share capital	8	-	-
Retained earnings		2,242	2,242
<b>TOTAL EQUITY</b>		<b>2,242</b>	<b>2,242</b>

For the year ended 30 June 2020, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

The Financial Statements on pages 4 to 10 were approved by the Board of Directors on 6 July 2021 and signed on its behalf by

Director

DocuSigned by:

*Bridget Messer*

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B E Messer

6 July 2021

## CFD &amp; FX Association Limited

**Statement of Changes in Equity**

as at 30 June 2020

	Share Capital £	Retained earnings £	Total Equity £
<b>At 30 June 2018</b>	-	<b>5,958</b>	<b>5,958</b>
Loss for the year	-	(3,716)	(3,716)
<b>At 30 June 2019</b>	-	<b>2,242</b>	<b>2,242</b>
Loss for the year	-	-	-
<b>At 30 June 2020</b>	-	<b>2,242</b>	<b>2,242</b>

## CFD &amp; FX Association Limited

## Cash Flow Statement

for the year ended 30 June 2020

	30 June 2020 £	30 June 2019 £
<b>Operating activities</b>		
Loss before taxation	-	(3,716)
Decrease / (Increase) in debtors	3,362	(1,284)
Increase in creditors	-	5,000
<b>Net cash inflow from operating activities</b>	<b>3,362</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,362</b>	<b>-</b>
Cash and cash equivalents at the beginning of the year	20,208	20,208
<b>Cash and cash equivalents at the end of year</b>	<b>23,570</b>	<b>20,208</b>



## CFD & FX Association Limited

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# Notes to the Financial Statements

for the year ended 30 June 2020

### 1. General information, basis of preparation and critical accounting estimates and judgements

#### Authorisation of Financial Statements

The Company's Financial Statements have been prepared in accordance with the Companies Act 2006. The Financial Statements of the Company for the year ended 30 June 2020 were authorised for issue by the board of Directors on 6 July 2021 and the Statement of Financial Position signed on the Board's behalf by B E Messer. CFD & FX Association Limited is incorporated and domiciled in England and Wales and is a private company limited by guarantee.

#### Critical accounting estimates and judgements

The preparation of Financial Statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities, as at the Statement of Financial Position date, and the amounts reported for revenue and expenses during the year. The nature of estimates means that actual outcomes could differ from those estimates.

In the Directors' opinion there were no accounting estimates or judgements that could have a significant impact on the Financial Statements.

#### Basis of preparation

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Companies Act 2006. These Financial Statements have been prepared on a historical cost convention. The Company's Financial Statements are presented in Pound Sterling.

The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the preparation of the Company's Financial Statements for the year ended 30 June 2019.

### 2. Significant accounting policies

#### Going concern

The Directors have reviewed the Company's processes to control the risks to which the Company is exposed. As a result of this review 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.

#### 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, where applicable a proportion of contributions levied each year are deferred to pay anticipated obligations which may fall due in the following year. There has been no deferred income in the current year.

#### 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 Income Statement 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 at the balance sheet date.

The Company does not recognise any deferred income tax assets in respect of losses incurred as it does not expect to make future taxable income as its principal objective is to promote the common interest of its members.

#### Cash and cash equivalents

Cash comprises cash in hand and demand deposits which may be accessed without penalty.

#### 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 members of the association payable by the Company and are recognised at amortised cost using the effective interest rate method if the time value of money is significant.

## CFD &amp; FX Association Limited

**Notes to the Financial Statements****for the year ended 30 June 2020****3. Turnover**

The Company's turnover is generated from related parties, the Company's members, and is at arm's length:

	Year ended 30 June 2020	Year ended 30 June 2019
	£	£
<b>Member trading name:</b>		
IG Index Limited	60	716
Spreadex Limited	-	714
London Capital Group Limited	-	714
CMC Markets UK plc	-	714
Monecor (London) Limited (Formerly known as ETX Capital)	-	714
Gain Capital UK Limited	-	714
Forex Capital Markets Limited	-	714
	<b>60</b>	<b>5,000</b>

**4. Operating expenses**

	Year ended 30 June 2020	Year ended 30 June 2019
	£	£
Auditor's remuneration – audit fees	-	5,000
Bank charges	60	-
Bad debt provision	-	3,716
	<b>60</b>	<b>8,716</b>

**5. Directors' emoluments and employee information**

The Directors did not earn any emoluments in respect of their services to the Company (2019: £nil). The Company had no employees during the year (2019: £nil).

**6. Taxation****(a) Tax on loss on ordinary activities**

	Year ended 30 June 2020	Year ended 30 June 2019
	£	£
Corporation tax charge for the year	-	-

## CFD &amp; FX Association Limited

**Notes to the Financial Statements**

for the year ended 30 June 2020

**(b) Factors affecting tax charge in current year**

	Year ended 30 June 2020	Year ended 30 June 2019
	£	£
Loss before taxation	-	(3,716)
Loss before taxation multiplied by the UK standard tax rate of 19.0% (FY19: 19.0%)	-	(706)
Effects of:		
Unrecognised tax losses carried forward	-	706
Tax credit for the year	-	-

The Company has not recognised deferred income tax assets of £1,137 (2019: £1,137) in respect of carried forward trading losses amounting to £5,986 (2019: £5,986).

**7. Debtors**

Debtors are related party transactions as they are amounts receivable from the Company's members. The debtors were all members of the Company during the year and no single member controls the Company. During the year, IG Index Limited has provided administrative support to the Company, at no cost to the Company. Debtors is stated net of a bad debt provision of £3,801 (2019: £3,801).

	Year ended 30 June 2020	Year ended 30 June 2019
	£	£
<b>Member trading name:</b>		
IG Index Limited	1,471	1,411
Spreadex Limited	1,409	1,409
London Capital Group Limited	1,409	1,409
CMC Markets UK plc	-	2,012
Monecor (London) Limited	1,408	1,408
Gain Capital UK Limited	2,011	2,012
Forex Capital Market Limited	-	1,409
	<b>7,708</b>	<b>11,070</b>

**8. 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 being wound up.

**9. Financial Statements**

The Company's Financial Statements are available for inspection at Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA.