

The London Silver Market Fixing Limited

Directors' report and financial statements

31st October 2003

Registered number 3685039



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Directors' report

The directors present their annual report and the audited financial statements of the London Silver Market Fixing Limited ("the company") for the year to 31st October 2003. The comparative figures in the audited financial statements relate to the year that ended 31st October 2002.

Principal activities

The company was incorporated to take on and continue the promotion, administration and conduct of the London Silver Market Fixing. The directors are currently giving due consideration to the development of a website.

Business review

The results of the company for the year are as set out in detail on page 4.

Transfer from reserves

The loss of £1,915 for the year has been transferred from reserves.

Directors and directors' interests

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

Peter Luke Fava	
Simon Mark Fulton Weeks (Chairman)	
Rick Richmond McIntire	
Jonathan David Spall	(alternate director to Rick McIntire)
Jeremy Angus Charles	(alternate director to Peter Fava)
David James Wilkinson	(alternate director to Simon Weeks)

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

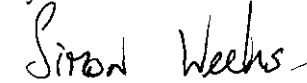
Political and charitable contributions

The company made no political or charitable contributions during the year.

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 next Annual General Meeting.

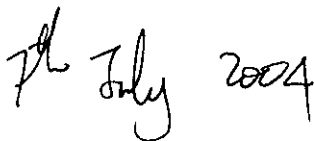
By order of the board



Simon Weeks
Director

One Silk Street
London
EC2Y 8HQ

Date:



Statement of directors' responsibilities

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 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.



KPMG Audit Plc

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Report of the independent auditors to the members of The London Silver Market Fixing Limited

We have audited the financial statements on pages 4 to 8.

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 so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. 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 2, 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 our 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 1985. 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 company is not disclosed.

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 October 2003 and of its loss for the year then ended and have been properly prepared in accordance with the requirements of the Companies Act 1985 applicable for small companies.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

14th July 2004

Profit and loss account
for the year ended 31st October 2003

	<i>Note</i>	2003	2002
		£	£
Turnover	<i>1</i>		
Income from members' contributions		2,685	6,003
Administrative expenses		(4,600)	(4,954)
		<hr/>	<hr/>
Operating loss		(1,915)	1,049
		<hr/>	<hr/>
Profit/(Loss) on ordinary activities before taxation	<i>2</i>	(1,915)	1,049
Tax on loss/profit on ordinary activities	<i>4</i>	-	(43)
		<hr/>	<hr/>
Profit/(Loss) for the period		(1,915)	1,006
		<hr/>	<hr/>

There were no recognised gains or losses during the current year other than the loss for the financial year. Accordingly, a statement of total recognised gains and losses has not been prepared.

The results stated above are all derived from continuing operations.

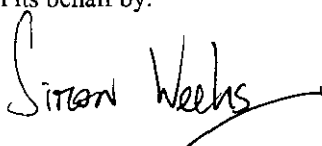
The notes on pages 6 to 8 form part of the financial statements.

Balance sheet
at 31st October 2003

	<i>Note</i>	2003	2002
		£	£
Current assets			
Debtors		120	120
Cash at Bank		17,069	11,168
Current Assets		17,189	11,288
Creditors: amounts falling due within one year	5	(17,100)	(9,284)
Net assets		89	2,004
Share capital and reserves	6		
Profit and loss account		89	2,004

These financial statements were approved by the board of directors on
on its behalf by:

2004 and were signed



Simon Weeks
Director

One Silk Street
London
EC2Y 8HQ

Date: *7th July 2004*

The notes on pages 6 to 8 form part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. In preparation of the accounts, the Financial Reporting Standards for Smaller Entities has been followed.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Turnover

Turnover represents the income due from members of the company in respect of initial and ongoing subscriptions.

Taxation

Taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

2 Profit on ordinary activities before taxation

	Year Ending 31 st October	Year Ending 31 st October
	2003	2002
	£	£
<i>This is stated after charging:</i>		
Auditors' remuneration	1,800	1,500
Auditors' remuneration for non audit work	<u>1,100</u>	<u>1,000</u>
	<u>2,900</u>	<u>2,500</u>

3 Particulars of employees

The company had no employees during the year (2002: nil). No emoluments were paid to the directors during the year (2002: £nil).

4 Tax on Loss on ordinary activities

	Year Ending 31 st October	Year Ending 31 st October
	2003	2002
	£	£
Analysis of charge in period:		
a) UK Corporation Tax		
Current tax on income for the period	-	43
Tax on loss/profit on ordinary activities	<u>-</u>	<u>43</u>

b) Factors affecting tax charge for the current period:

The current tax charge for the period is the same as (2002: higher than) the standard rate of corporation tax for starting rate companies of 0% (2002: 0%). The differences are explained below:

	Year Ending 31 st October	Year Ending 31 st October
	2003	2002
	£	£
<i>Current tax reconciliation</i>		
Profit/ (Loss) on ordinary activities before tax	(1,915)	1,049
Current tax at 0% (2002: 0%)	0	0
Effects of:		
Tax on profit for five months at 2001 tax rate of 10%		43
Total current tax charge for period	0	43

c) Factors that may affect future tax charges

There are no items that would materially affect the future tax charge.

Notes *(continued)*

5 Creditors: amounts falling due within one year

	2003	2002
	£	£
Accruals	6,600	4,784
Deferred Income relating to potential website development	10,500	4,500
	17,100	9,284

6 Share capital and reserves

The company is limited by guarantee and as such has no share capital.