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**The London Silver Market Fixing Limited**

**Directors' report and financial statements**

31<sup>st</sup> October 2005

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 10 year to 31<sup>st</sup> October 2005. The comparative figures in the audited financial statements relate to the year that ended 31<sup>st</sup> October 2004.

### **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 £2,799 for the year has been transferred from reserves.

### **Directors and directors' interests**

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

Jeremy Angus Charles	
Simon Mark Fulton Weeks	(Chairman)
Rick Richmond McIntire	
Jonathan David Spall	(alternate director to Rick McIntire)
David Benjamin Rose	(alternate director to Jeremy Charles)
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.

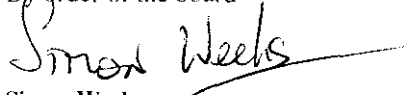
### **Political and charitable contributions**

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

### **Auditors**

On 1st May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP under the provision of section 26(5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

By order of the board



**Simon Weeks**  
Director

One Silk Street  
London  
EC2Y 8HQ

Date:

18<sup>th</sup> July 2006

### **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 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 a going concern basis unless it is inappropriate to assume 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.

### **Audit Information**

So far as each of the directors at the time the directors' report is approved is aware:

- a) there is no relevant information of which the auditors are unaware; and
- b) they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Independent Auditors Report to the members of The London Silver Market Fixing Limited**

We have audited the financial statements of The London Silver Market Fixing Limited on pages 4 to 8 for the year ended 31 October 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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.

*We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.*

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

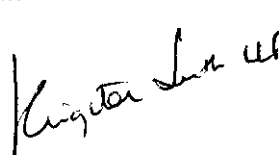
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st October 2005 and of its loss for the year then ended.
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- the directors' report is consistent with the financial statements.

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

  
**Kingston Smith LLP**  
Chartered Accountants  
and Registered Auditors

Date: 31 July 2006

**Profit and loss account**  
*for the year ended 31st October 2005*

	<i>Note</i>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
<b>Turnover</b>	<i>1</i>		
Income from members' contributions		-	5,000
<b>Administrative expenses</b>		<b>(2,799)</b>	<b>(1,450)</b>
		<hr/>	<hr/>
<b>Operating (loss)/gain</b>		<b>(2,799)</b>	<b>3,550</b>
		<hr/>	<hr/>
<b>(Loss)/Gain on ordinary activities before taxation</b>	<i>2</i>	<b>(2,799)</b>	<b>3,550</b>
Tax on loss/profit on ordinary activities	<i>4</i>	-	56
		<hr/>	<hr/>
<b>(Loss)/Profit for the period</b>		<b>(2,799)</b>	<b>3,606</b>
Retained profits brought forward		3,695	89
		<hr/>	<hr/>
<b>Retained profits carried forward</b>		<b>896</b>	<b>3,695</b>
		<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.

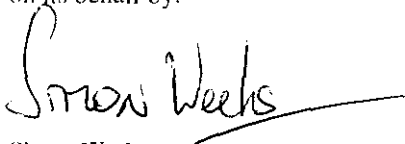
The notes on pages 6 to 8 form part of the financial statements.

**Balance sheet**  
 at 31<sup>st</sup> October 2005

	Note	2005	2004
		£	£
<b>Current assets</b>			
Debtors		-	-
Cash at Bank		8,911	11,945
<b>Current Assets</b>		<u>8,911</u>	<u>11,945</u>
<b>Creditors:</b> amounts falling due within one year		(8,015)	(8,250)
<b>Net assets</b>		<u>896</u>	<u>3,695</u>
<b>Share capital and reserves</b>	6		
Profit and loss account		<u>896</u>	<u>3,695</u>

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

2006 and were signed

  
 Simon Weeks  
 Director

One Silk Street  
 London  
 EC2Y 8HQ

Date: 18<sup>th</sup> July 2006.

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 <sup>st</sup> October	Year Ending 31 <sup>st</sup> October
	2005	2004
	£	£
<i>This is stated after charging:</i>		
Auditors' remuneration	1,457	1,410
Auditors' remuneration for non audit work	<u>458</u>	<u>441</u>
	<u>1,915</u>	<u>1,851</u>

### 3 Particulars of employees

The company had no employees during the year (2004: nil). No emoluments were paid to the directors during the year (2004: £nil).



**Notes** *(continued)*

**4 Tax on Loss on ordinary activities**

	Year Ending 31 <sup>st</sup> October	Year Ending 31 <sup>st</sup> October
	2005	2004
	£	£
<b>Analysis of charge in period:</b>		
<b>a) UK Corporation Tax</b>		
Current tax on income for the period	-	-
Prior year Corporation Tax adjustment	-	56
	<hr/>	<hr/>
Tax on loss/profit on ordinary activities	-	56
	<hr/>	<hr/>

**b) Factors affecting tax charge for the current period:**

The current tax charge for the period is the same as the standard rate of corporation tax for starting rate companies of 0% (2004: 0%). The differences are explained below:

	Year Ending 31 <sup>st</sup> October	Year Ending 31 <sup>st</sup> October
	2005	2004
	£	£
<i>Current tax reconciliation</i>		
(Loss)/Profit on ordinary activities before tax	(2,799)	3,606
	<hr/>	<hr/>
Current tax at 0% (2004: 0%)	0	0
Effects of:		
Prior year adjustment	0	56
	<hr/>	<hr/>
Total current tax charge for period	0	56
	<hr/>	<hr/>

**c) Factors that may affect future tax charges**

There are tax losses of £2,799 (2004: £nil) available to carried forward against future profits.

## **Notes (continued)**

### **5 Creditors: amounts falling due within one year**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Accruals	<b>2,515</b>	<b>2,750</b>
Deferred Income relating to potential website development	<b>5,500</b>	<b>5,500</b>
	<b>8,015</b>	<b>8,250</b>

### **6 Share capital and reserves**

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

### **7 Related Party Transactions**

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

The Bank of Nova Scotia

Deutsche Bank AG

HSBC plc

Income wholly relates to subscriptions charged to the above members. Membership subscriptions in the year amounted to £nil (2004: £5,000).

The London Silver Market Fixing Limited currently banks with HSBC Bank International.