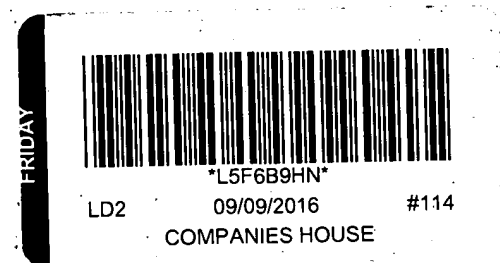


London Precious Metals Clearing Limited

Directors' Report and Financial Statements

For the year ended 31 March 2016



London Precious Metals Clearing Limited

Company Information

Directors

Anthony Dean
Jane Lloyd
Andrew Lovell
Vikas Chamaria
Marco Heil
Paul Mckerrell

Alternates to Directors

William Wolfe
Daniel Picard
Conway Rudd
Peter Smith
Raj Kumar

Secretary

Hackwood Secretaries Limited

Company number

04195299

Registered office

1 Silk Street
London
EC2Y 8HQ

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

London Precious Metals Clearing Limited

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London Precious Metals Clearing Limited

Directors' Report

For the year ended 31 March 2016

The directors present their report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activities of the company throughout the year was the development, implementation and maintenance of an electronic system to facilitate the matching of precious metal transfers instigated by its Members.

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

Directors

The following directors have held office since 1 April 2015:

Anthony Dean	
Jane Lloyd	
Andrew Lovell	
Marco Heil	(Appointed 1 May 2015)
Vikas Chamaria	(Appointed 24 April 2015)
Martyn Whitehead	(Resigned 13 April 2015)
Maria Colantonio	(Resigned 1 May 2015)
David Mitchell-Innes	(Resigned 18 August 2015)
Paul Mckerrell	(Appointed 3 June 2016)

Alternates to directors

Who are also directors for the purposes of the Companies Act:

William Wolfe	(Alternate to Anthony Dean)	
Daniel Picard	(Alternate to Maria Colantonio and Marco Heil)	
Conway Rudd	(Alternate to Jane Lloyd)	
David Mitchell-Innes	(Alternate to Raj Kumar)	(Resigned 18 August 2015)
Peter Smith	(Alternate to Andrew Lovell)	
Raj Kumar	(Alternate to Paul Mckerrell)	(Appointed 3 June 2016)

Directors' interests

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

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

London Precious Metals Clearing Limited

Directors' Report (Continued)

For the year ended 31 March 2016

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 elected to prepare 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;
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



.....
Anthony Dean

Director
.....
16/5/16

London Precious Metals Clearing Limited

Independent Auditors' Report to the Members of London Precious Metals Clearing Limited

We have audited the financial statements of London Precious Metals Clearing Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement, 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.

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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of 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.

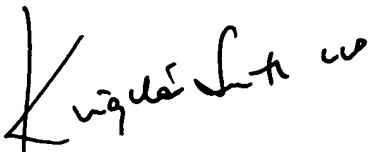
London Precious Metals Clearing Limited

Independent Auditors' Report to the Members of London Precious Metals Clearing Limited (Continued)

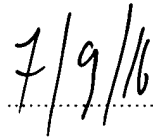
Matters on which we are required to report by exception

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 the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Jon Sutcliffe (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP



Chartered Accountants
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

London Precious Metals Clearing Limited

Profit and Loss Account

For the year ended 31 March 2016

	Notes	2016 £	2015 £
Turnover		266,100	223,599
Administrative expenses		(328,252)	(288,543)
Operating loss	2	(62,152)	(64,944)
Other interest receivable and similar income	3	5	33
Loss on ordinary activities before taxation		(62,147)	(64,911)
Tax on loss on ordinary activities	4	(1)	(7)
Loss for the year	9	(62,148)	(64,918)

London Precious Metals Clearing Limited

Balance Sheet

As at 31 March 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	5		-		3,900
Current assets					
Tangible assets	6	18,950		-	
Debtors	7	45,030		11,737	
Cash at bank and in hand		51,259		67,247	
		<u>115,239</u>		<u>78,984</u>	
Creditors: amounts falling due within one year	8	<u>(117,157)</u>		<u>(22,654)</u>	
Net current (liabilities)/assets			(1,918)		56,330
Total assets less current liabilities			<u>(1,918)</u>		<u>60,230</u>
Capital and reserves					
Profit and loss account	9		(1,918)		60,230
Shareholders' funds			<u>(1,918)</u>		<u>60,230</u>

The directors acknowledge their responsibilities for complying with requirements of the Act with respect to accounting records and the preparation of the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 16TH AUGUST 2016

Anthony Dean
Director

Company Registration No. 04195299

London Precious Metals Clearing Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

4	Taxation	2016 £	2015 £
	Domestic current year tax		
	U.K. corporation tax	1	7
	Total current tax	<u>1</u>	<u>7</u>

Under the tax principle of mutuality, corporation tax has not been provided on the trading profits and losses of the company. Corporation tax is only provided on the investment income during the year.

5	Tangible fixed assets	Plant and machinery etc £
	Cost	
	At 1 April 2015	132,350
	Additions	25,500
	Transfer to current assets	(157,850)
	At 31 March 2016	<u>-</u>
	Depreciation	
	At 1 April 2015	128,450
	Charge for the year	10,450
	Transfer to current assets	(138,900)
	At 31 March 2016	<u>-</u>
	Net book value	
	At 31 March 2016	<u>-</u>
	At 31 March 2015	<u>3,900</u>

6	Current tangible assets	2016 £	2015 £
	Transfer from fixed assets at book value	<u>18,950</u>	<u>-</u>

London Precious Metals Clearing Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

7 Debtors	2016	2015
	£	£
Trade debtors	40,080	-
Other debtors	4,950	11,737
	<u>45,030</u>	<u>11,737</u>
	<u><u>45,030</u></u>	<u><u>11,737</u></u>
8 Creditors: amounts falling due within one year	2016	2015
	£	£
Taxation and social security	5,644	7
Other creditors	111,513	22,647
	<u>117,157</u>	<u>22,654</u>
	<u><u>117,157</u></u>	<u><u>22,654</u></u>
9 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 April 2015		60,230
Loss for the year		(62,148)
		<u>(1,918)</u>
Balance at 31 March 2016		<u><u>(1,918)</u></u>
10 Financial commitments		
At 31 March 2016 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2017:		
	2016	2015
	£	£
Operating leases which expire:		
Within one year	24,848	5,974
Between two and five years	-	51,600
	<u>24,848</u>	<u>57,574</u>
	<u><u>24,848</u></u>	<u><u>57,574</u></u>

London Precious Metals Clearing Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

11 Control

The Company is limited by guarantee. The liability of the members is limited to £10 each.

12 Post balance sheet events

Subsequent to the year end, the Board has commenced a restructuring as a result of which the company, which is currently limited by guarantee, is expected to be placed into liquidation within 12 months of the date of signature of the accounts and simultaneously replaced by a new company limited by shares with the existing members being the shareholders of the new company. The accounts have therefore been prepared on a break-up basis, however there has been no amendment made to the carrying values of the assets. These assets will be transferred, with the trade, at book value to a new entity.

On 3 June 2016, ICBC Standard Bank Plc became a member of the company.

13 Related party relationships and transactions

The following were members of the London Precious Metals Clearing Limited during the financial year:

The Bank of Nova Scotia
Deutsche Bank AG (resigned 18 August 2015)
HSBC Bank Plc
J P Morgan Chase Bank N.A.
UBS AG London Branch
Barclays Bank Plc
ICBC Standard Bank Plc (appointed 3 June 2016)

Income wholly related to subscriptions charged to the above members. Membership subscriptions for the year ended 31 March 2016 amounted to £266,100 (2015: £223,599).

London Precious Metals Clearing Limited currently banks with HSBC Bank Plc.

London Precious Metals Clearing Limited

Management Information

For the year ended 31 March 2016

London Precious Metals Clearing Limited

Detailed Trading and Profit and Loss Account

For the year ended 31 March 2016

	2016	2015
	£	£
Turnover		
Membership Income	266,100	223,599
 Administrative expenses	 (328,252)	 (288,543)
 Operating loss	 (62,152)	 (64,944)
 Other interest receivable and similar income		
Bank interest received	5	33
 Loss before taxation	 (62,147)	 (64,911)

London Precious Metals Clearing Limited

Schedule of Administrative Expenses

For the year ended 31 March 2016

	2016 £	2015 £
Administrative expenses		
Computer service fees	150,086	151,978
General administrative fee	16,768	11,316
Legal and professional fees	144,371	118,384
Accountancy	2,534	615
Audit fees	3,910	4,160
Bank charges	133	140
Depreciation	10,450	1,950
	<hr/>	<hr/>
	328,252	288,543
	<hr/>	<hr/>
