Company registration number

4365240

Glencore Services (UK) Limited

REPORT AND
FINANCIAL STATEMENTS
2015

Table of contents

Officers and professional advisers

Directors
Alexander Frank Beard
Andrew Gibson
Ian Stanley Sloman (Resigned 01.06.2015)
John William Burton
Carlos Perezagua Marin

Secretary
Matthew Barrie Hinks (Resigned: 25.09.2015)
Nicholas Reid (Appointed: 25.09.2015)

Registered office
50 Berkeley Street
London
W1J 8HD

Auditor
Deloitte LLP
Chartered Accountants
London, England

Company registration number
4365240

Strategic report

The directors present their Strategic report for Glencore Services (UK) Limited (the "Company") for the year ended 31 December 2015 to provide a review of the Company's business, principal risks and uncertainties and performance and position. The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Organisation and principal activity
The Company was incorporated on 1 February 2002 (Companies House registration no. 4365240) and is a wholly owned subsidiary of Glencore (Schweiz) AG (the "Parent"). The ultimate parent company is Glencore plc, a company incorporated in Jersey. The Company's principal activity during the year was to administer two corporate properties previously let by the company, which were vacated and sublet from 2013. These leases expire in 2017. There is now limited trading activity in the Company and the directors are proceeding with an orderly wind down of the Company.

Business review
As shown in the Profit and Loss account on page 9, the profit for the year, after taxation, was £171k (2014: loss of £1,966k), an increase of £2,137k. The 2015 result was driven mainly by loss relief relating to the finalisation of the 2014 tax computation. The Balance Sheet on page 10 shows that the Company's financial position at the year-end for net assets has increased compared with the prior year by £171k to £39 158k. The directors do not recommend the payment of a dividend. There have been no significant events since the balance sheet date that require disclosure or would cause any of the assets or liabilities reported in these financial statements to be restated.

Principal risks and risk governance
The Board of Directors are responsible for approving risk management principles and policies, and ensuring that the Company's management maintains an effective system of internal controls. They are responsible for the management of risk within the framework of risk management principles and policies approved by the Board.

Interest rate and foreign exchange risk
The Company monitors its interest rate risk, considering any material exposures. The British Pound is the functional currency of the Company, as the majority of transactions are denominated in British Pounds. The Company is exposed to the risks of changes in foreign currency exchange rates with regard to its activities, which are not denominated in British Pounds.

Credit risk and performance risk
The Company's principal financial assets are cash and debtors. The Company's credit and performance risk is primarily attributable to its debtors. Credit risk is mitigated by the fact that the Company's debtors are mainly other Group companies, which benefit from the support of Glencore plc.

Approved by the directors and signed on behalf of the Board

Carlos Perezagua
Director
26 September 2016

Directors' report

The Strategic report starting on page 4 contains details of the principal activities of the Company and provides information on the Company's business during the year and indications of likely future developments.

Directors

The directors who held office during the year and subsequently are shown on page 3.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year, which remain in force at the date of this report.

Going concern

After considering the Company's forecasts and projections, taking into account reasonably possible changes in performance, the timing of the settlement of liabilities and the impact of the risks and uncertainties, it is considered appropriate to continue to adopt the going concern basis.

Further details regarding the adoption of the going concern basis can be found in Note 1.

Political and charitable contributions

During the year, the Company made charitable contributions totalling £nil (2014: £nil). No political contributions were made during the year (2014: £nil).

Auditor

Each of the persons who are a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed to be reappointed as auditors in the absence of an Annual General Meeting.

Approved by the directors and signed on behalf of the Board of Directors

Carlos Perezagua
Director
26 September 2016

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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, including Financial Reporting Standard 101.

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 United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Independent auditor's report to the members of Glencore Services (UK) Limited

We have audited the financial statements of Glencore Services (UK) Limited for the year ended 31 December 2015, which comprise the Profit and Loss account, the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related Notes 1 to 14. 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), including FRS101 "Reduced Disclosure Framework".

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 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 auditor

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 Strategic report and the Directors' 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 December 2015 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 requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and 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 Glencore Services (UK) 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.

Christopher Jones FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, England
26 September 2016

Financial statements

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2015

GBP £'000

	Notes	2015	2014
Turnover	4	-	-41
Cost of sales		-	-750
Gross profit/(loss)		-	-791
Other operating income/(expenses)		74	-89
Operating profit/(loss)	**5**	**74**	**-880**
Gain/(loss) on foreign exchange, net		-69	-
Profit/(loss) on ordinary activities before taxation		**5**	**-880**
Tax credit/(charge) on profit on ordinary activities	8	166	-1 086
Profit/(loss) on ordinary acivities after taxation		**171**	**-1 966**

All activities derive from continuing operations.

STATEMENT OF OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2015

There are no recognised gains or losses attributable to the Shareholders' of the Company other than the gain of £171k for the year ended 31 December 2015 (2014: no recognised gains or losses other than the loss of £1,966k).

COMPANY REGISTRATION NUMBER 4365240
BALANCE SHEET
AS AT 31 DECEMBER 2015

GBP £'000

	Notes	2015	2014
Current assets			
Debtors	9	124 207	124 382
Cash and bank balances		17	53
Creditors: amounts falling due within one year	10	-84 490	-84 700
Net current assets		**39 734**	**39 735**
Total assets less current liabilities		**39 734**	**39 735**
Onerous lease provision	11	-576	-748
Net assets		**39 158**	**38 987**
Equity			
Share capital	12	-*	-*
Share premium		61 748	61 748
Retained earnings		-22 590	-22 761
Total shareholders' funds		**39 158**	**38 987**

* Called up share capital is £4 as at 31 December 2015 (2014:£4).

These financial statements were approved by the Board of Directors on 26 September 2016.

Signed on behalf of the Board of Directors

Carlos Perezagua
Director
26 September 2016

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

GBP £'000

	Share capital (note 12)	Share premium	Profit and loss account	Total
As at 1 January 2014	-*	61 748	-20 795	40 953
Loss on ordinary activities after taxation	-*	-	-1 966	-1 966
As at 31 December 2014	**-***	**61 748**	**-22 761**	**38 987**
Profit on ordinary activities after taxation	-*	-	171	171
As at 31 December 2015	**-***	**61 748**	**-22 590**	**39 158**

* Called up share capital is £4 for the year ended 31 December 2015 (2014:£4).

Notes to the financial statements

1. GENERAL INFORMATION

Glencore Services (UK) Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private Company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 3. The nature of the Company's operations and its principal activities are set out in the strategic report on page 4.

These financial statements are presented in GBP because that is the currency of the primary economic environment in which the Company operates.

The group accounts of Glencore plc are available to the public and can be obtained as set out in note 14 and at the registered office address of the parent Company preparing consolidated accounts.

2. ACCOUNTING POLICIES

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the company has changed its accounting framework from old UK GAAP to FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

In accordance with FRS 101 the company has:

- provided comparative information;
- applied the same accounting policies throughout all periods presented;
- retrospectively applied FRS 101 as required; and
- applied certain optional exemptions and mandatory exceptions as applicable for first time adopters of FRS 101.

Exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of Glencore plc.

These financial statements have been prepared under the historical cost convention and in accordance with Generally Accepted Accounting principles and law in the United Kingdom. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Company has adopted the following principal accounting policies:

2. ACCOUNTING POLICIES (CONTINUED)

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report.

The Company's continuing administration of corporate properties, taking into account reasonably possible changes in performance and the impact of the risks and uncertainties outlined above, indicate it is appropriate to adopt the going concern basis in preparing these financial statements.

Currency of financial statements

As the Company undertakes the majority of its transactions in GBP, these financial statements have been prepared in that currency.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and a reliable estimate can be made of a probable adverse outcome.

Taxation

Income taxes consist of current and deferred income taxes. Current taxes represent income taxes expected to be payable based on enacted or substantively enacted tax rates at the period end on expected current taxable income, and any adjustment to tax payable in respect of previous years. The Company assesses its liabilities and contingencies for all years based upon the latest tax information available. Where it is probable that an adjustment will be made, the Company records a tax liability, including related interest charges. The Company believes it has adequately provided for the outcome of all tax matters, but future results may include favourable or unfavourable adjustments to these estimated tax liabilities in the period the final assessments are made. Deferred taxes are recognised for timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income, using enacted or substantively enacted income tax rates, which are expected to be effective at the time of reversal of the underlying temporary difference. Deferred tax assets and unused tax losses are only recognised to the extent that their recoverability is probable.

Deferred tax assets are reviewed at reporting period end and amended to the extent that it is no longer probable that the related benefit will be realised. To the extent that a deferred tax asset is not previously recognised but which subsequently fulfils the criteria for recognition, an asset is then recognised. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same authority and the company has both the right and the intention to settle its current tax assets and liabilities on a net or simultaneous basis. The tax effect of certain temporary differences is not recognised principally with respect to the initial recognition of an asset or liability (other than those arising in a manner that initially affected accounting or taxable profit).

Current and deferred tax are recognised as an expense or income in the profit and loss account, except when they relate to items that are recognised outside the profit and loss account (whether in other gains and losses or directly in equity).
Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency transactions

Foreign currency transactions are booked at the exchange rate ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into the functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are recorded in the profit and loss account. Foreign currency non-monetary assets and liabilities are not restated at balance sheet date.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provisions for onerous leases

Determining the Company's onerous lease provision relating to leased corporate properties requires estimation of any rectification costs associated with returning these properties to the state required by the property owner upon expiry of the lease. The carrying amount of provisions for onerous leases at the balance sheet date was £576k.

4. TURNOVER

Turnover in the previous year is stated net of value added tax and accounted for on an accruals basis and arose entirely in the United Kingdom. The Company's service arrangements for other group companies ceased as of 1 January 2014 in line with the termination of the service agreements.

5. OPERATING PROFIT

GBP £'000

	2015	2014
Operating profit is stated after charging:		
Auditor's remuneration	10	14
Exceptional items		
Acquisition related costs	-	-110

6. STAFF COSTS

GBP £'000

	2015	2014
Staff costs:		
Wages, salaries and benefits	-	-529
Payroll taxes	-	-93
Pension benefits	29	9
Total	**29**	**-613**

Employee disclosure

The average monthly number of employees (excluding directors) was nil (2014: nil).

7. DIRECTORS' REMUNERATION

None of the directors received any fees or remuneration for their services as a director of the Company during the financial year (2014: £nil) either from the Company or any other entity within the Glencore Group.

8. TAXATION

GBP £'000

	2015	2014
UK corporation tax on profits of the period	-	-
Adjustments in respect of previous periods	-166	1 086
Tax (credit)/charge on profit on ordinary activities	**-166**	**1 086**

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is different from the standard rate of corporation tax in the UK of 20.25 % (2014: 21.5%). The differences are reconciled below:

GBP £'000

	2015	2014
Profit/(loss) on ordinary activities before taxation	5	-880
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 20.25% (2014: 21.5%)	1	-189
Effects of:		
Adjustments in respect of prior year	-166	1 086
Unrecognized tax losses	-1	189
Tax (credit)/charge for the year	**-166**	**1 086**

The headline rate of UK corporation tax reduced from 23% to 21% on 1 April 2014, and following enactment of Finance Act 2013, it reduced further to 20% from 1 April 2015. On 18 November 2015, proposals to reduce the main rate of corporation tax from the current 20% to 19% from 1 April 2017 and to 18% from 1 April 2020 were enacted into UK law.

A deferred tax asset of £925k has not been recognised as at 31 December 2015 (£895k of which relates to the temporary difference between the accounting net book value and the tax base of qualifying assets and £30k of which relates to tax losses of £166k) as the directors are of the opinion that based on the recent forecast activities, there will not be sufficient taxable profits available in the Company to recover the assets in the future.

9. DEBTORS.

GBP £'000

Amounts due within one year	2015	2014
Amounts owed by group companies	123 853	123 859
Other debtors	354	48
Prepayments and accrued income	-	475
Total	**124 207**	**124 382**

10. CREDITORS

GBP £'000

	2015	2014
Amounts owed to group companies	83 154	83 314
Accruals	412	300
Other taxation and social security	920	1 086
Other creditors	4	-
Total	**84 490**	**84 700**

11. PROVISIONS

In 2013, two properties previously occupied under operating leases by the Company were vacated and sub-let to external third parties. The contractual terms of these leases extend to March and October 2017 and because of the vacation of these properties by the Company an onerous lease provision was recognised in accordance with the requirements of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* for the remaining period of the lease terms, which are not covered by sub-let agreements. The total provision as at 31 December 2015 was £576k (2014: £748k) and this will be unwound as the operating lease liabilities fall due. The impact of the time value of money is not material in assessing the provision.

GBP £'000

Onerous lease provision	2015	2014
Current	110	178
Non-current	466	570
Total	**576**	**748**

GBP £'000

At 1 January 2015	**748**
Utilised	-258
Released to Profit and loss account	-
Charged to Profit and loss account	86
At 31 December 2015	**576**

The associated operating lease disclosures required by IAS 17 are shown below.

GBP £'000

Minimum lease payments	2015	2014
Not later than one year	1 558	1 558
Later than one year and not later than five years	638	2 196
Later than five years	-	-
Total	**2 196**	**3 754**
Total future minimum sublease payments	1 915	3 368

12. SHARE CAPITAL

Ordinary shares of £ each	2015	2014
Authorised	1 000	1 000
Allotted, called up and fully paid	4	4

Dividends paid

No dividend has been declared or paid during the year (2014: $nil).

13. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements amounted to £nil (2014: £nil).

14. IMMEDIATE AND ULTIMATE PARENT COMPANY

The ultimate parent company is Glencore plc a company incorporated in Jersey with registered office at Queensway House, Hilgrove Street, St. Helier, Jersey, JE1 1ES. This is the largest group for which consolidated accounts are prepared. Copies of the consolidated accounts of Glencore plc may be obtained from Queensway House or from www.glencore.com.

The immediate parent of this company is Glencore (Schweiz) AG, a company incorporated in Switzerland.