Company Number 05162008

ICAP Holdings (Latin America) Limited

Annual Report and Financial Statements - 31 December 2018



STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present their Annual Report and the audited financial statements of ICAP Holdings (Latin America) Limited (the 'Company') for the year ended 31 December 2018.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Directors consider that the year end financial position was satisfactory and are currently reviewing the role of the company within the TPICAP Group and as a result its holdings is likely to be transferred to a fellow subsidiary within the next 12 months.

During the year/period, the Company earned investment income of £1,746,000 (2017: £3,581,000)

During the year/period, the Company interest receivable and similar income of £13,590 (2017: £1,541).

RESULTS

The results of the Company are set out in the statement of profit or loss on page 8.

The profit for the financial year/period of £1,746,063 (2017: £3,572,765) has been transferred to reserves.

The net assets of the Company are £467,943 (2017: £471,806).

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks which the Company faces in its day to day operations can broadly be categorised as credit, operational and liquidity risk.

Credit risk is the risk of financial loss to the Company in the event of non-performance by counterparty with respect to its contractual obligations to the Company. This includes the risk of default of the banking counterparties at which the Company has placed its cash balance.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people activities, systems or external events. Operational risk covers a wide and diverse range of risk types and the overall objective of the Company's approach to operational risk management is not to attempt to avoid all potential risks but to proactively identify and assess risk and risk situations in order to manage them in an efficient and informed manner.

Liquidity risk is the risk that the Company, in periods of corporate or market volatility, will not have access to an appropriate level of cash or funding to enable it to finance its ongoing operations and any other reasonable unanticipated events on cost effective terms. Cash and cash equivalent balances are held with the primary objective of capital security and availability, with a secondary objective of generating returns. Funding requirements and cash and equivalent exposures are monitored by the Group Finance and Operations departments.

For some months the Company has been preparing for a hard Brexit. In that circumstance, UK entities would lose their ability to provide services in the EU27 zone using passports, either through branches or on a cross-border services basis and the ability to continue doing business in Europe would be restricted. Given the nature of the Company's activities, it is not expected to be materially impacted by Brexit.

Management in front office and support functions have the day to day responsibility for ensuring that the Company operates in accordance with the Enterprise Risk Management Framework which includes policies and procedures for these key risks. Further details of the Enterprise Risk Management Framework are outlined in the Group's Annual Report, which does not form part of this report.

KEY PERFORMANCE INDICATORS

The Company's return on assets, calculated as net profit divided by net assets, is 373% (2017: 757%).

The Directors of TP ICAP plc manage the Group's operations on a regional basis. For this reason, the Company's Directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of TP ICAP plc, which includes the Company, are discussed in the Group's Annual Report, which does not form part of this report.

This report has been approved by the board of Directors and signed by order of the board:



P Ashley
Director

23 September 2019

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

PRINCIPAL ACTIVITIES
The Company is an investment holding company. The Directors are currently reviewing the role of the company within the TP ICAP Group and as a result its holdings are likely to be transferred to a fellow subsidiary within the next 12 months.

The Company is incorporated in the United Kingdom and domiciled in England and Wales. The Company is a private company limited by shares. The registered office is Floor 2, 155 Bishopsgate, London EC2M 3TQ.

On 20 October 2017, the Company changed its accounting reference date to 31 December to align with the Group's accounting period. As a result, the Company's prior accounting period was shortened to a nine month period ended 31 December 2017. The current year is for the year ended 31 December 2018.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS
Details of business review and future developments can be found in the Strategic Report on page 1.

PRINCIPAL RISKS AND UNCERTAINTIES
Details of principal risks and uncertainties can be found in the Strategic Report on page 1.

GOING CONCERN
The Directors are currently reviewing the role of the company within the TP ICAP Group. However it is the intention of the Directors to transfer its holdings to a fellow subsidiary of TP ICAP plc within the next 12 months, and on that basis the financial statements have been prepared on a basis other than going concern.

DIVIDENDS
During the year/period, the Directors declared and paid dividends on the ordinary shares of £1,746,307 (2017: £3,581,050).

DIRECTORS
The following persons were Directors of the Company during the financial year and up to the date of this report, unless otherwise stated:

P Ashley (appointed 5 March 2018)
R Cordeschi (appointed 6 December 2018)
D Casterton (resigned 6 December 2018)

DIRECTOR'S INDEMNITIES
The Company's ultimate parent, TP ICAP plc, has made qualifying third party indemnity provisions for the benefit of its Directors which remain in force at the date of this report.

ENVIRONMENTAL POLICY
The nature of the Company's activities is such that it has a minimal direct effect on the environment. However, management have agreed to adopt Group policies to safeguard the environment, to meet statutory requirements, or where such policies are commercially sensible.

POLITICAL CONTRIBUTIONS
There were no political donations made by the Company during the year/period (2017: £nil).

DISABLED EMPLOYEES
Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

EMPLOYEE CONSULTATION

The Company is committed to attracting, retaining, developing and advancing the most qualified persons without regard to their race, ethnicity, religion or belief, gender, age, sexual orientation or disability. This commitment is underpinned by policies on equal opportunities, harassment and discrimination, to which all employees are required to adhere.

The Company participates in the Group's policies and practices relating to current and prospective employees. These policies and practices are outlined in the Group's Annual Report which does not form part of this report.

POST BALANCE SHEET EVENTS

There have been no post balance sheet events from 31 December 2018 up to the date of signing which require separate disclosure.

INDEPENDENT AUDITOR

The Company's incumbent auditor, Deloitte LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial year.

PROVISION OF INFORMATION TO THE AUDITOR

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps that they are obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

APPROVAL OF REDUCED DISCLOSURES

As permitted by FRS 101, the Company has taken advantage of all of the disclosure exemptions available to it, including: statement of cash flows, the effect of new accounting standards not yet mandatory, presentation of comparative information for certain assets, key management compensation, related party transactions, share-based payments and financial risk management disclosures.

The report is authorised for issue by the board of Directors.

On behalf of the Directors

P Ashley
Director

23 September 2019

ICAP Holdings (Latin America) Limited
Directors' responsibilities statement
31 December 2018

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 FRS 101 'Reduced Disclosure Framework'. 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 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 FRS 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.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ICAP Holdings (Latin America) Limited
Independent auditor's report to the members of ICAP Holdings (Latin America) Limited
31 December 2018

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of ICAP Holdings (Latin America) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of which comprise:

- the statement of profit or loss;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

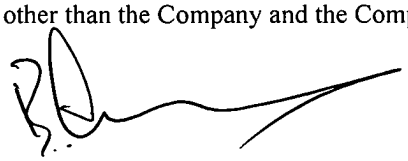
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report
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.



Ben Jackson FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
23 September 2019

ICAP Holdings (Latin America) Limited
Statement of profit or loss
For the year ended 31 December 2018

	Note	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Expenses			
Administrative expenses	3	(1)	(350)
Other operating expenses	6	(50)	(1,361)
Movement in provision for receivables		1,343	-
Operating profit/(loss)		1,292	(1,711)
Interest receivable and similar income	7	13,590	1,541
Interest payable and similar expenses	8	(15,185)	(10,058)
Income from investments	5	1,746,308	3,581,050
Profit before income tax benefit		1,746,005	3,570,822
Income tax benefit	9	58	1,943
Profit after income tax benefit for the year		1,746,063	3,572,765

There were no items of other comprehensive income in the current year or prior period other than the profit for the year/period and, accordingly, no statement of other comprehensive income is presented.

ICAP Holdings (Latin America) Limited
Balance sheet
As at 31 December 2018

	Note	As at Dec 2018 £	As at Dec 2017 £
Assets			
Non-current assets			
Investment in subsidiaries	10	-	17,094
Total non-current assets		-	17,094
Current assets			
Cash and cash equivalents	11	188	189
Debtors	12	447,478	715,080
Income tax refund due	9	3,333	3,275
		450,999	718,544
Investment in subsidiaries	13	17,094	-
Total current assets		468,093	718,544
Total assets		468,093	735,638
Liabilities			
Current liabilities			
Creditors: amounts falling due within one year	14	150	263,832
Total current liabilities		150	263,832
Total liabilities		150	263,832
Net assets		467,943	471,806
Equity			
Issued capital	15	101	101
Share premium		396,883	396,883
Retained profits		70,959	74,822
Total equity		467,943	471,806

The financial statements on page 8 to 19 were approved and authorised for issue by the board of Directors on 23 September 2019 and were signed on its behalf by:

P Ashley
Director

23 September 2019

Company No: 05162008

The above balance sheet should be read in conjunction with the accompanying notes

ICAP Holdings (Latin America) Limited
Statement of changes in equity
For the year ended 31 December 2018

	Issued capital £	Share Premium £	Retained profits £	Total equity £
Balance at 1 April 2017	101	396,883	83,107	480,091
Profit after income tax benefit for the period	-	-	3,572,765	3,572,765
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	3,572,765	3,572,765
Dividends paid (note 16)	-	-	(3,581,050)	(3,581,050)
Balance at 31 December 2017	101	396,883	74,822	471,806

	Issued capital £	Share Premium £	Retained profits £	Total equity £
Balance at 1 January 2018	101	396,883	74,822	471,806
Expected credit loss (note 1)	-	-	(3,619)	(3,619)
Balance at 1 January 2018 - restated	101	396,883	71,203	468,187
Profit after income tax benefit for the year	-	-	1,746,063	1,746,063
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	1,746,063	1,746,063
Dividends paid (note 16)	-	-	(1,746,307)	(1,746,307)
Balance at 31 December 2018	101	396,883	70,959	467,943

Share capital
The balance classified as share capital includes the nominal value of the proceeds on issue of the Company's share capital comprising £1 shares.

Share premium
The share premium includes the value of the proceeds above nominal on issue of the Company's share capital, comprising £1 ordinary shares.

The above statement of changes in equity should be read in conjunction with the accompanying notes

Note 1. General information and principal accounting policies

General information

The Company is a private company limited by shares.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of the following Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards and Interpretations are most relevant to the company:

IFRS 9 Financial Instruments

The Company has adopted IFRS 9 from 1 January 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model for which the objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model for which the objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

The impact of applying the new impairment model under IFRS 9 is discussed within the impairment of financial assets accounting policy (Note 1).

Hedge accounting

The Company did not undertake any qualifying hedging activities during the reporting period and will apply IFRS 9's hedge accounting requirements as and when such transactions arise.

IFRS 15 Revenue from Contracts with Customers

The Company has adopted IFRS 15 from 1 January 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's balance sheet as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. The adoption of IFRS 15 has not had a material effect on the amounts reported in these financial statements.

Note 1. General information and principal accounting policies (continued)

Going concern
The Directors are currently reviewing the role of the company within the TP ICAP Group. However it is the intention of the Directors to transfer its holdings to a fellow subsidiary of TP ICAP plc within the next 12 months, and on that basis the financial statements have been prepared on a basis other than going concern.

There were no material adjustments as a result of ceasing to apply the going concern basis.

Basis of preparation
These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The financial statements are prepared in pound sterling which is the functional currency of the Company.

As permitted by FRS 101, the Company has taken advantage of all of the disclosure exemptions available to it, including: statement of cash flows, effect of new accounting standards not yet mandatory, presentation of comparative information for certain assets, key management compensation, related party transactions, share-based payments and financial risk management disclosures.

Where relevant, equivalent disclosures have been given in the group accounts of TP ICAP plc.

The Company has exercised it's entitlement to not produce consolidated financial statements since consolidated financial statements have been prepared by the ultimate parent company TP ICAP plc.

The Company's ultimate parent is TP ICAP plc (incorporated in the United Kingdom) and its consolidated financial statements are available from Companies House.

Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Company's results.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Tax
Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior periods. Tax is charged or credited to the profit or loss account, except when it relates to items charged or credited directly to equity, in which case the current and deferred tax is also recorded within equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

Deferred tax is recognised using the liability method, in respect of all temporary differences between the carrying value of assets and liabilities for reporting purposes and the tax bases of the assets and liabilities. Deferred tax is calculated at the rate of tax expected to apply when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Calculations of current and deferred tax liability have been based on ongoing discussions with the relevant tax authorities, management's assessment of legal and professional advice, case law and other relevant guidance. Where the expected tax outcome of these matters is different from the amounts that were recorded initially, such differences will impact the current and deferred tax amounts in the year or period in which a reassessment of the liability is made.

Borrowing costs
All borrowing costs are expensed as interest payable and similar charges in the profit or loss account using the applicable effective interest rate.

Note 1. General information and principal accounting policies (continued)

Foreign currencies
Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences are taken to the profit or loss account.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

For the purpose of presenting the financial statements, the assets and liabilities of the Company's foreign operations are translated at exchange rates prevailing on the balance sheet date. Exchange differences arising are recorded in the statement of other comprehensive income and transferred to the Company's profit or loss account in equity.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, overdrafts and demand deposits and other short-term highly liquid investments which are subject to insignificant risk of change in value and are readily convertible into a known amount of cash with less than three months maturity.

Debtors
Debtors are recognised at amortised cost less provision for impairment.

All provisions are recorded within administrative expenses in the statement of profit or loss.

Intercompany balances
Intercompany balances are shown in accordance with the netting agreement, which allows netting of bilateral intercompany balances within entities that are party to the netting agreement.

Investment in subsidiary companies
Investments comprise equity shareholdings. These investments are recorded at historical cost less provision for any impairment in their values. However, where the transaction takes place for nil consideration, it is not considered to have a transaction price. As there is no consideration given for the transfer, it would represent a gift from the transferor to the transferee and, therefore, would be recorded at fair value as a proxy for its cost.

A subsidiary is an entity over which the Company has control. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investment in joint ventures
A joint venture is an entity in which the Company has an interest and, in the opinion of the Directors, exercises joint control over its operating and financial policies. An interest exists where an investment is held on a long-term basis for the purpose of securing a contribution to the Company's activities.

Impairment of assets
An impairment review of the recoverable amounts of assets is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Note 1. General information and principal accounting policies (continued)

Financial instruments
The Company has applied IFRS 9 from 1 January 2018 which has replaced IAS 39 'Financial Instruments: Recognition and Measurement'. Under the transition methods chosen, comparative information has not been restated. The Company had no hedging relationships as at this date or during the current reporting period. The details of new significant accounting policies are set out below.

With respect to the classification and measurement of financial assets, the number of categories of financial assets under IFRS 9 has been reduced compared to IAS 39. Under IFRS 9 the classification of financial assets is based both on the business model within which the asset is held and the contractual cash flow characteristics of the asset.

There are three principal classification categories for financial assets that are debt instruments:
(i) fair value through other comprehensive income 'FVOCI'
(ii) fair value through profit or loss 'FVTPL' and
(iii) amortised cost

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income 'OCI'. This election is made on an investment by investment basis.

Equity investments in scope of IFRS 9 are measured at fair value with gains and losses recognised in profit or loss unless an irrevocable election is made to recognise gains or losses in other comprehensive income. Under IFRS 9, derivatives embedded in financial assets are not bifurcated but instead the whole hybrid contract is assessed for classification.

All financial assets not classified as "measured at amortised cost" or "FVOCI" are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as an asset measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

There has been no material impact on the classification and measurement of the Company's financial assets.

There has been no change in the accounting for financial liabilities as IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. Under IFRS 9, changes in the fair value of a financial liability designated as at FVTPL due to credit risk are presented in other comprehensive income unless such presentation would create or enlarge an accounting mismatch in profit or loss.

Impairment of financial assets
IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' 'ECL' model. The new impairment model applies to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of trade receivables, intercompany debtors and cash and cash equivalents.

Under IFRS 9, loss allowances are measured on either of the following bases:
- 12-month ECLs: these are ECLs that result from expected default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all expected default events over the expected life of a financial instrument.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:
- cash and cash equivalents for which credit risk has not increased significantly since initial recognition.

Note 1. General information and principal accounting policies (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher per Moody's or BBB- or higher per both Standard & Poor's and Fitch.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, representing the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Impact of the new impairment model
The application of the impairment requirements of IFRS 9 did not have a material impact on the Company's financial statements.
For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

The Company has determined that the application of IFRS 9's impairment requirements at 1 January 2018 results in an impairment allowance of £3,619.

	£
Impairment recognised at 1 January 2018	3,619

Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the balance sheet, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the balance sheet, in current liabilities.

Note 1. General information and principal accounting policies (continued)

Issued capital
Ordinary shares are classified as equity.

Dividends
Dividends are recognised when declared during the financial year / period.

Note 2. Key accounting judgements and sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances.

As at 31 December 2018 the only such estimates are related to the impairment review of investments (note 13). When considering the investments value in use, net asset values as well as cashflow projections which extend forward to a terminal value and take account of the approved budget for the coming year have been used. The Company applies a suitable discount factor to the future cash flows based on its weighted average costs of capital at 12.5% (2017: 10.5%). Growth rates are conservatively applied and do not exceed the expected growth in the local economy after the fifth year.

None of the judgements used give rise to a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Note 3. Administrative expenses

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Bank charges	1	7
Recharges	-	343
	1	350

Fees paid to the Company's auditor, Deloitte LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of its parent, TP ICAP plc, include these fees on a consolidated basis.

Fees payable for the audit of the financial statements were £4,120 (2017: £4,000).

Note 4. Directors Remuneration

No fees were paid to the directors in respect of services to the Company during the year/period (2017: £nil).

Note 5. Income from investments

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Dividends income from subsidiaries	1,746,308	3,581,050

Note 6. Other operating expenses

This represents exchange differences arising on transactions in foreign currencies during the period and on the translation at the balance sheet date of assets and liabilities denominated in foreign currencies.

Note 7. Interest receivable and similar income

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Interest receivable from Group companies	13,590	1,541

Note 8. Interest payable and similar expenses

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Interest on loans from Group companies	15,185	10,058

Note 9. Income tax

Analysis of charge for the year:

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Profit before income tax benefit	1,746,005	3,570,822
Tax at the statutory tax rate of 19%	331,741	678,456
Expenses not deductible for tax purposes	(331,799)	(680,399)
Income tax benefit	(58)	(1,943)

	As at Dec 2018 £	As at Dec 2017 £
Income tax refund due		
Income tax refund due	3,333	3,275

Note 10. Non-current assets - Investment in subsidiaries

	As at 31 Dec 2018 £'000	As at 31 Dec 2017 £'000
As at beginning of year/period	17,094	17,094
Transfer to current assets	(17,094)	-
As at end of year/period	-	17,094

The investment in subsidiary has been transferred from a non current asset to current asset due to the fact the Company is no longer disclosed as a going concern

At 31 December 2018, the Company's subsidiary companies and related undertakings were as follows:

Name	Country of incorporation	Percentage directly held	Class of share
ICAP Latin America Holdings B.V.	Netherlands	100%	Ordinary

Note 11. Current assets - Cash and cash equivalents

	As at Dec 2018 £	As at Dec 2017 £
Cash at bank and in hand	188	189

Note 12. Current assets - Debtors

	As at Dec 2018 £	As at Dec 2017 £
Loans owed by Group companies	441,878	88,432
Amounts owed by Group companies	7,876	626,648
Less: allowance for expected credit losses	(2,276)	-
	447,478	715,080

Note 13. Current assets - Investment in subsidiaries

	As at Dec 2018 £	As at Dec 2017 £
Investment in subsidiaries	17,094	-

During the current year, investment in subsidiaries were classified as current assets following the management intention to transfer the Company's holdings to a fellow subsidiary.

At 31 December 2018, the Company's subsidiary companies and related undertakings were as follows:

Name	Country of incorporation	Percentage directly held	Class of share
ICAP Latin America Holdings B.V.	Netherlands	100%	Ordinary

Full details of direct and indirect subsidiaries and undertakings and associates are disclosed in the supplementary information on pages 20.

Note 14. Current liabilities - Creditors: amounts falling due within one year

	As at Dec 2018 £	As at Dec 2017 £
Amounts owed to Group companies	150	263,832

Note 15. Equity - Issued capital

	As at Dec 2018 Shares	As at Dec 2017 Shares	As at Dec 2018 £	As at Dec 2017 £
Allotted and fully paid ordinary shares of £1 each	101	101	101	101

Note 16. Equity - Dividends

Dividends paid during the financial year were as follows:

	Year ended 31 Dec 2018 £	Period ended 31 Dec 2017 £
Dividend paid in June 2018 of £11,641 per share (2017: £nil)	1,175,752	-
Dividend paid in July 2018 of £5,649 per share (2017: £nil)	570,555	-
Dividend paid in April 2017 of £35,456 per share	-	3,581,050
	1,746,307	3,581,050

Note 17. Events after the reporting period

There have been no post balance sheet events from 31 December 2018 up to the date of signing which require separate disclosure.

Note 18. Immediate and ultimate parent company

The Company's immediate parent is ICAP Holdings Limited, which does not prepare consolidated financial statements.

The Company's ultimate parent is TP ICAP plc, which is incorporated in England and Wales, and heads the largest and smallest group of companies of which the Company is a member. TP ICAP plc prepares consolidated financial statements in accordance with IFRS. Copies of TP ICAP plc financial statements are available from the registered office: Floor 2, 155 Bishopsgate, London EC2M 3TQ.

ICAP Holdings (Latin America) Limited
Supplementary information
31 December 2018

Direct and indirect subsidiaries and undertakings
At 31 December 2018, the following companies were the Company's subsidiary undertakings and associates.

Name	Country of incorporation and operation	% held
ICAP Latin America Holdings B.V.	Netherlands	100

Name	Country of incorporation and operation	% Indirectly held
SIF ICAP, S.A. de C.V.	Mexico	50
SIF-ICAP Servicios S.A. de C.V.	Mexico	50
Platforma Mexicana De Carbono, S de RL De CV	Mexico	99
ICAP Bio Organic S. de RL de CV	Mexico	100
Datatec Peru, S.A.	Peru	50
SIF ICAP Chile Holding Limitada	Chile	50
SIF Agro S.A. de C.V.	Mexico	99.8
SIF ICAP Chile S.A	Chile	80
SIF ICAP Derivados S.A. de C.V.	Mexico	99.96