Company Registration No. 05476483

Asteri Capital Limited

Annual Report and Financial Statements

31 December 2016

Asteri Capital Limited

Annual report and financial statements 2016

Contents

Asteri Capital Limited

Officers and professional advisers

Director

S Teichner

Secretary

N Reid

Registered office

50 Berkeley Street
London
W1J 8HD

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Asteri Capital Limited

Strategic report

The directors present their strategic report for the year ended 31 December 2016.

Organisation and principal activity

Asteri Capital Limited ('the Company') is a wholly-owned subsidiary of Glencore Finance AG.

The ultimate parent company is Glencore plc, a company incorporated in Jersey.

During the year under review the principal activities of the Company continued to be that of providing services to group companies.

Previously the Company received fees for managing the independent investment fund launched by the Company's intermediate parent, Glencore International AG, together with a share of the fund's profit. The fund was impacted by the financial crisis of 2008 and subsequently redeemed all investors except Glencore International AG. The Company continued to manage the remaining investments of the fund in accordance with its management contract until market conditions permitted them to be disposed of at a reasonable value. The fund is effectively dormant.

Business review

As shown in the profit and loss account on page 8, the loss for the year after taxation was $131,000 (2015 loss: $35,000).

Due to the fund being dormant the Company has generated no turnover and has incurred no cost of sales or service fee charge from group companies. There have been some administrative expenses incurred during the year and foreign exchange losses due to the revaluation of related party balances.

The balance sheet on page 9 shows a decline in the Company's net assets following the losses incurred in the year as discussed above.

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.

Going concern

As indicated above, the Company's activities have effectively ceased and it is the intention of the directors to carry out a voluntary liquidation of the Company in the next twelve months. Since the intention is to liquidate the Company in an orderly manner, the financial statements have been prepared on a basis other than going concern. The effect of this is explained in note 1 to the financial statements.

Principal risks and risk governance

Market risk

All market risks are represented on the Company's balance sheet. The Company is exposed to minimal risks due to the nature of its activities. All service fee income and expenditure was invoiced in US dollars, the Company's functional and reporting currency. The Company has no transactions in derivative financial instruments. The most significant risk is group company credit risk, which is considered by the directors to be minimal.

Liquidity risk

The purpose of liquidity management is to ensure that sufficient cash is available to meet all contractual commitments as they fall due. The Parent Company provides the necessary liquidity.

Asteri Capital Limited

Strategic report (continued)

Principal risks and risk governance (continued)

Credit Risk

The Company assesses the credit risk for its transactions and takes appropriate steps to limit/offset the credit risk.

Interest rate and foreign exchange risk

The Company monitors its interest rate risk, considering any material exposures.

The US dollar is the functional currency of the Company, as the majority of transactions are denominated in US dollars.

The Company is exposed to the risk of changes in foreign currency exchange rates with regard to the value of other creditors which are not denominated in US dollars.

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

Nick Reid

N Reid
Secretary
24 February 2017

Asteri Capital Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

The strategic report starting on page 2 contains details of the principal activity of the Company and provides information on the development of the Group's business during the year and details of exposure to risks and uncertainties and indications of likely future developments.

Directors

The directors who held office during the year and subsequently are shown on page 1.

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.

Dividends

The directors recommend that no equity dividend be paid (2015:$nil) and that the loss be transferred to reserves.

Auditor

Each of the persons who is 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.

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

Nick Reid

N Reid
Secretary

24 February 2017

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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), including 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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have 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 corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Asteri Capital Limited

We have audited the financial statements of Asteri Capital Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 8. 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 FRS 101 "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 the 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 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 implication 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 2016 and of its loss 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.

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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion 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 year 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 and the Directors' Report.

Independent auditor's report to the members of Asteri Capital Limited

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.

Tom Millar (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
24 February 2017

Asteri Capital Limited

Profit and loss account
For the year ended 31 December 2016

	Note	2016 $'000	2015 $'000
Operating expenses		(42)	(43)
Operating loss	2	(42)	(43)
Loss on ordinary activities before taxation		(42)	(43)
Tax (charge)/credit on ordinary activities	3	(89)	8
Loss on ordinary activities after taxation and *total comprehensive loss*		(131)	(35)

All of the activities of the Company are classified as discontinuing as the directors have the intent to wind up the Company within twelve months from the signing of the financial statements.

There are no gains or losses in either year other than the loss for the year, and accordingly no statement of comprehensive income is presented.

Asteri Capital Limited

Company Registration Number 05476483

Balance sheet
As at 31 December 2016

	Note	2016 $'000	2015 $'000
Current assets			
Debtors	4	780	902
		780	902
Creditors: amounts falling due within one year	5	(144)	(135)
Net current assets		636	767
Total assets less current liabilities, being net assets		636	767
Capital and reserves			
Called up share capital	6	1,400	1,400
Profit and loss account	7	(764)	(633)
Total shareholders' funds		636	767

These financial statements were approved by the Board of Directors on 24 February 2017.

Signed on behalf of the Board of Directors

S Teichner

Director

Asteri Capital Limited

Statement of changes in equity
For the year ended 31 December 2016

	Share capital $'000 (note 6)	Profit and loss account $'000 (note 7)	Total $'000
As at 1 January 2015	1,400	(598)	802
Loss for the year	-	(35)	(35)
As at 31 December 2015	1,400	(633)	767
Loss for the year	-	(131)	(131)
As at 31 December 2016	1,400	(764)	636

Asteri Capital Limited

Notes to the financial statements
For the year ended 31 December 2016

1. Accounting policies

Asteri Capital Limited is a private limited company incorporated in England and Wales. The address of the registered office is 50 Berkeley Street, London, W1J 8HD.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Exemptions

The Company has taken advantage of the following exemptions available under FRS 101:

- the exemption from preparing a statement of cash flows;
- the exemption from disclosing key management personnel compensation;
- the exemption from providing certain comparative information;
- the exemption from providing capital management information;
- the exemption from disclosing the impact of standards in issue but not yet adopted; and
- the exemption from disclosing transactions with other wholly-owned members of the group

The Company has taken advantage of the following exemptions available under FRS 101 as equivalent disclosures have been given in the consolidated financial statements of Glencore plc which include the results of Asteri Capital Limited:

- the exemption from the disclosures relating to financial instruments and fair value measurement where these are not required by regulations; and
- reduced disclosures for share based payments

The financial statements of Glencore plc are available from the registered office at Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES or from the company's website at www.glencore.com.

Basis of accounting

The financial statements are prepared under the historical cost basis of accounting, as modified by the inclusion of financial instruments and fixed asset investments at fair value.

Adoption of new and revised Standards

In the current year, the Company has applied a number of revised IFRS standards and interpretations including those arising from the Annual Improvements to IFRSs 2012-2014 cycle, which were adopted as of 1 January 2015. There was no material change to previously reported financial position or financial performance.

Going concern and basis of preparation

In previous years the financial statements have been prepared on a going concern basis. However, it is the intention to liquidate the Company in the next twelve months, hence the directors have determined that the going concern basis is no longer appropriate, and the 2016 financial statements have been prepared on a basis other than going concern.

The carrying value of the Company's assets and liabilities represents the recoverable value and no adjustments are required to the net assets that are included in these financial statements. No provision for future costs of terminating the operations of the Company have been included in these financial statements, as no reliable estimate can be made and any potential liquidation costs will be borne by a Glencore plc group company.

Currency of financial statements

As the Company undertakes the majority of its trading transactions in US dollars, which is its functional currency, these financial statements have been prepared in that currency.

1. **Accounting policies (continued)**

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other related taxes.

Trade receivables and trade payables

Trade receivables and trade payables (including amounts owed by and to group companies) are measured at amortised cost. Appropriate allowances for estimated irrecoverable receivable amounts are recognised in the profit and loss account when there is objective evidence that the asset is impaired.

Foreign currencies

Transactions during the year in currencies other than US dollars are translated into US dollars at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in currencies other than US dollars are translated into US dollars at the rates ruling at the balance sheet date. Exchange adjustments are dealt with in the profit and loss account in the year in which they arise.

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 temporary 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 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 impacted 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 comprehensive income or directly in equity).

Critical accounting judgements and key sources of estimation

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable and relevant under the circumstances, independent estimates, quoted market prices and common, industry standard modelling techniques. Actual outcomes could result in a material adjustment to the carrying amount of assets or liabilities affected in future periods. The directors have not identified any critical judgements or areas of significant estimation uncertainty in preparing these accounts

2. Operating loss

The Company is incurring some administrative expenses in relation to professional fees, and also foreign exchange movements on related party balances, resulting in an operating loss.

Auditor's remuneration was borne by a sister company, Glencore Energy UK Ltd.

The Company has no employees (2015: nil) and the directors received no remuneration for services provided to the Company (2015: $nil).

3. Tax on (loss) on ordinary activities

(a) Analysis of tax on ordinary activities

	2016 $'000	2015 $'000
UK corporation tax charge/(credit)	89	(8)
Total current tax charge/(credit)	89	(8)

(b) Factors affecting tax charge for the current year (period)

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss) before tax is as follows:

	2016 $'000	2015 $'000
(Loss) on ordinary activities before tax	(42)	(43)
UK corporation tax at 20% (2015: 20.25%)	(8)	(9)
Effect of change in tax rate	-	1
Prior year adjustment	89	-
Permanent difference	8	-
Tax charge/(credit) for the period	89	(8)

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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the temporary differences to which they relate unwind based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Since the future reductions of the corporation tax rate to 19% and 18% were enacted by the balance sheet date, the deferred tax balances at 31 December 2015 have been assessed accordingly.

4. Debtors

	2016 $'000	2015 $'000
Amounts owed by group companies	780	813
Deferred tax	-	89
	780	902

All debtors are due within one year.

5. Creditors: amounts falling due within one year

	2016 $'000	2015 $'000
Amounts owed to group companies	145	135
	145	135

6. Called up share capital

	2016 $'000	2015 $'000
Authorised		
1,500,000 (2015: 1,500,000) ordinary shares of US$1 each	1,500	1,500
Called up, allotted and fully paid		
1,400,000 (2015: 1,400,000) ordinary shares of US$1 each	1,400	1,400

7. Reserves

A description of each reserve is set out below.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

8. Immediate and ultimate parent company

The immediate parent company is Glencore Finance AG, a company incorporated in Switzerland with registered office at Baarermattstrasse 3, P.O. Box 777, CH – 6341, Baar, Switzerland.

The ultimate parent and controlling company is Glencore plc, a company incorporated in Jersey with registered offices at Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES. The largest and smallest group which includes the company for which consolidated financial statements are available is Glencore plc.