

DTCC TBD LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

REGISTERED NUMBER: 06169558



DTCC TBD LIMITED
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DTCC TBD LIMITED
COMPANY INFORMATION

DIRECTOR: K G Spielmann

SECRETARY: K G Spielmann

REGISTERED OFFICE: Broadgate Quarter, 8th Floor
1 Snowden Street
London
England
EC2A 2DQ

REGISTERED NUMBER: 06169558 (England and Wales)

AUDITOR: Deloitte LLP
Statutory Auditor
London, United Kingdom

The Director, in preparing this strategic report, has complied with s414C of the Companies Act 2006.

This strategic report has been prepared for DTCC TBD Limited (the "Company") for the year ended 30 June 2018.

BUSINESS REVIEW

The Company is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC").

The Company ceased to be a Recognised Central Counterparty on 15 April 2014 having been authorised by the Bank of England as a Recognised Clearing House up until that date. As of 15 April 2014 the Company ceased to perform any further clearing services and has not engaged in any new or alternative business lines. On a day to day basis, the Company is not operational and no longer employs staff or performs business services of any kind. The Company does not anticipate engaging in any new business activities in the short to medium term. However, there are no plans to liquidate the Company due to the possibility of utilising the accumulated unrecognized tax losses in future years. The Company is non-trading and did not generate revenue during the year.

KEY PERFORMANCE INDICATORS

Given the Company is non-trading, the Company's Director is of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance, or position of the business.

PRINCIPAL RISK FACTORS

As the Company is no longer operational on a day-to-day basis and does not perform business services of any kind, it does not have any material risks to note.

During the year, the Company defined its capital as called up share capital, capital contribution reserve and accumulated losses. The capital of the Company at 30 June 2018 was €1,093,736 (2017: €1,093,736).

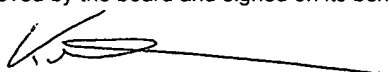
Going Concern

The ultimate parent company has committed to make available financial resources to the Company for the next 12 months from the date of these financial statements ensuring that the Company has adequate financial resources to pay its liabilities as and when they become due. The Director has therefore assessed the Company's ability to continue as a going concern, and continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

FUTURE DEVELOPMENTS

The entity is non-trading and will continue to operate as such.

Approved by the board and signed on its behalf by


.....
Karl Spielmann, Director

Date: 8 March 2019

The Director presents his report and the financial statements (which comprise the Statement of Comprehensive Income, Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flow and the Notes to the financial statements) for the Company as at and for the year ended 30 June 2018.

RESULTS AND DIVIDENDS

The results of the Company are set out in the Statement of Comprehensive Income, on page 7, for the year ended 30 June 2018. The Company had no profit or loss in 2018 (2017: loss €17,395). The Director did not recommend the payment of a dividend (2017: €nil).

DIRECTOR AND DIRECTOR'S INTEREST

The Director who held office throughout the year and to the date of approval of this report:

K G Spielmann

No fees were paid to the Director in respect of services to the Company during the year.

DIRECTOR INDEMNITY

The Company made indemnity provisions for the benefit of its Director. These provisions were in force at the date of this report.

STAFF

It is the policy of both the Company and DTCC to ensure that no staff members or job applicants face discrimination on the grounds of ethnic origin, race, religion, gender, sexual orientation, age or disability.

INDEPENDENT AUDITOR

Deloitte LLP has expressed their willingness to continue in office as auditor of the Company and, under Sections 485 to 488 of the Companies Act 2006, will be deemed to be re-appointed.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Director of the Company at the date when this report is approved confirms that:

- so the Director is aware, there is no relevant audit information (being information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor are 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 and signed on its behalf by


.....
Karl Spielmann, Director

Date: 8 March 2019

STATEMENT OF DIRECTOR RESPONSIBILITIES

The Director is responsible for preparing the Director Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law, the Director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union. Under company law, the Director 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, International Accounting Standard 1 requires that the Director:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 Director is 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.

**DTCC TBD LIMITED INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of DTCC TBD Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flow; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Director's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Director is responsible for the other information. The other information comprises the information included in the strategic 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.

**DTCC TBD LIMITED INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

Responsibilities of directors

As explained more fully in the Statement of Director Responsibilities, the Director is 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 Director determines 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 Director is 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 Director report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Director 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 Director report.

Matters on which we are required to report by exception

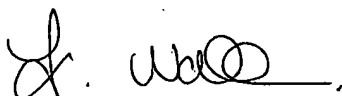
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 Director's 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.



Fiona Walker (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
8 March 2019

DTCC TBD LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

€'s	Notes	For the year ended 30 June 2018	For the year ended 30 June 2017
Income			
Other Operating Income		-	-
Interest Income		-	-
Total Income		-	-
Expenses			
Other Expenses		-	17,395
Total Expenses		-	17,395
(Loss) before taxation	3	-	(17,395)
Taxation	5	-	-
Net (loss)		-	(17,395)

The results above are derived wholly from non-trading activities.

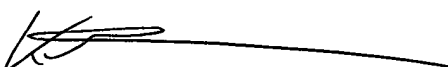
The accompanying notes on pages 11 to 16 are an integral part of these financial statements.

DTCC TBD LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

€'s	Notes	30 June 2018	30 June 2017
ASSETS			
Current assets			
Trade and other receivables	6	1,093,736	1,093,736
Total current assets		1,093,736	1,093,736
Total assets		1,093,736	1,093,736
Liabilities			
Current liabilities			
Trade and other payables		-	-
Total current liabilities		-	-
Total liabilities		-	-
Net assets		1,093,736	1,093,736
Shareholders' equity			
Called up share capital	7	79,397,960	79,397,960
Capital contribution reserve	8	3,417,000	3,417,000
Accumulated losses	8	(81,721,224)	(81,721,224)
Total shareholders' equity		1,093,736	1,093,736

The accompanying notes on pages 11 to 16 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 8 March 2019 and were signed on its behalf by:



 Karl Spielmann, Director

DTCC TBD LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

€'s	Called up share capital	Capital contribution reserve	Accumulated losses	Total equity
Balance at 30 June 2016	79,397,960	3,417,000	(81,703,829)	1,111,131
Loss for year	-	-	(17,395)	(17,395)
Balance at 30 June 2017	79,397,960	3,417,000	(81,721,224)	1,093,736
Result for year	-	-	-	-
Balance at 30 June 2018	79,397,960	3,417,000	(81,721,224)	1,093,736

The accompanying notes on pages 11 to 16 are an integral part of these financial statements.

DTCC TBD LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2018

€'s	Notes	30 June 2018	30 June 2017
Cash flow from operating activities			
Result / (Loss) for the year		-	(17,395)
Adjustments to reconcile Company loss for the period to net cash inflow from operating activities:			
Decrease in trade and other receivables	6	-	41,048
(Decrease) in trade and other payables		-	(23,653)
Net cash (used in) operations		-	-
Movement in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of year		-	-
Cash and cash equivalents at end of year		-	-

The accompanying notes on pages 11 to 16 are an integral part of these financial statements.

1. BASIS OF PREPARATION

A. General

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRSs. The financial statements have been prepared under the historical cost convention. All accounting policies have been applied consistently.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates as reflected in note 2. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

B. Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

There are no amendments to IFRSs or IFRICs that are effective for the first time for the financial year beginning on or after 1 July 2017 that would be expected to have a material impact on the disclosures or on the amounts reported in these financial statements.

C. Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 16	Leases
IFRS 17	Insurance Contracts
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements to IFRS Standards 2015–2017 Cycle	Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements IAS 12 Income Taxes and IAS 23 Borrowing Costs
Amendments to IAS 19 Employee Benefits	Plan Amendment, Curtailment or Settlement
IFRS 10 and IAS 28 (amendments)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>
IFRIC 23	Uncertainty over Income Tax Treatments

The Director does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

D. Going Concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 2.

The Company ceased to be a Recognised Central Counterparty on 15 April 2014 having been authorized by the Bank of England as a Recognised Clearing House up until that date. As of 15 April 2014 the Company ceased to perform any further clearing services and has not engaged in any new or alternative business lines. On a day-to-day basis, the Company is not operational and no longer employs staff or performs any business services of any kind. The Company does not anticipate engaging in any new business activities in the short to medium term.

The last day the Company accepted new trades was 4 April 2014. All clearing members and trading platforms completed their migration to Euro CCP N.V on 7 April 2014. No new trades have been accepted after 4 April 2014. All open interests were settled on 12 April 2014 and all collateral provided by clearing members was returned to them on 11 April 2014. All assets were transferred to the parent and all liabilities were settled with fellow debtors.

The ultimate parent company has committed to make available financial resources to the Company for the next 12 months from the date of these financial statements ensuring that the Company has adequate financial resources to pay its liabilities as and when they become due. The Director have therefore assessed the Company's ability to continue as a going concern. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Euros, which is the functional and presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Comprehensive Income.

B. Income

During the year, there was no revenue recognised relating to trading activities as the Company was no longer operating.

C. Taxation

If the Company were to incur tax, the tax payable would be based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

The Company records a deferred income tax (benefit) provision when there are differences between assets and liabilities measured for financial reporting and for income tax return purposes. These temporary differences result in taxable or deductible amounts in future years and are measured using the tax rates and laws that will be in effect when such differences are expected to reverse. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

D. Financial Assets

The Company classifies its financial assets in the following categories: financial instruments at fair value through profit or loss (FVTPL) and loans and receivables. Management determines the classification of financial assets and liabilities at initial recognition.

Financial assets are classified as FVTPL where the financial asset is held for trading or it is designated as fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if it is part of a portfolio of identified financial instruments that are managed together where there is evidence of a recent actual pattern of short-term profit-taking.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. They are derecognised when the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Financial Liabilities

Financial liabilities are measured at amortised cost. Financial liabilities are derecognised when extinguished.

F. Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

G. Key Accounting Judgements

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions. These affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and circumstances, actual results may ultimately differ from those estimates.

H. Related Party Disclosure

Outstanding balances at the end of the period are unsecured and are settled in cash. There were no guarantees provided or received in relation to any related party receivables or payables.

3. OPERATING PROFIT

€'s	30 June 2018	30 June 2017
The (loss) before income tax is stated after charging:		
Other expenses	-	17,395

During the year the Company did not trade and had no employees. The Company's auditors' remuneration in respect of statutory audit in the UK of €11,250 (2017: €12,121) has been borne by another Group company. In 2017, other expenses related to a write off of a small payment relating to the previous participant balances.

4. EMPLOYEE COMPENSATION AND RELATED BENEFITS

The Company had no employees in the current year.

No fees were paid to the Director in respect of services to the Company during the year.

5. TAXATION

Analysis of the tax expense

No liability to UK corporation tax arose on the continuing activities for the year ended 30 June 2018 (2017: €nil).

The expense for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

€'s	30 June 2018	30 June 2017
(Loss) before tax on continuing activities	-	(17,395)
Tax at the UK corporation tax rate of 19.25% (2017: 19.75%)	-	(3,436)
Tax effect of expenses not deductible in determining taxable profit	-	-
Change in unrecognised deferred tax assets	-	3,436
Total Tax Charge	-	-

At 30 June 2018 the Company had €78.1 million (2017: €78.1 million) of tax losses in respect of which deferred tax has not been recognised due to uncertainty as to the availability of future profits against which they can be offset.

UK corporation tax is calculated at 19.25% (2017: 19.75%) of the estimated assessable profits for the year ended 30 June 2018. In the Summer Budget 2015, the UK Government announced that the UK rate of corporation tax would reduce from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. TRADE AND OTHER RECEIVABLES

€'s	30 June 2018	30 June 2017
Current:		
Amount due from related parties	1,093,736	1,093,736
Total	1,093,736	1,093,736

Amount due from related parties are non-trade and unsecured. It is interest-free and repayable on demand.

7. SHAREHOLDERS' EQUITY

CALLED UP SHARE CAPITAL €'s			30 June 2018	30 June 2017
Called up and fully paid:				
Number:	Class	Nominal		
Value:				
1 (2017: 1)	Ordinary	£1	1	1
6,586,207 (2017: 6,586,207)	Ordinary	£10	79,397,959	79,397,959
Total			79,397,960	79,397,960

Authorised ordinary shares were 6,586,208 at 30 June 2018 and 30 June 2017.

8. RESERVES

€'s	Accumulated losses	Capital contribution reserve	Totals
At 1 July 2017	(81,721,224)	3,417,000	(78,304,224)
Result for the year	-	-	-
At 30 June 2018	(81,721,224)	3,417,000	(78,304,224)

€'s	Accumulated losses	Capital contribution reserve	Totals
At 1 July 2016	(81,703,829)	3,417,000	(78,286,829)
Loss for the year	(17,395)	-	(17,395)
At 30 June 2017	(81,721,224)	3,417,000	(78,304,224)

9. RELATED PARTY DISCLOSURES

Amounts due from related parties (DTCC inter-company balance) at 30 June 2018 totalled €1,093,736 (2017: €1,093,736). There were no other related party transactions during the year (2017: None).

10. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking and controlling entity and the parent of the largest and smallest group of which the Company is a member and for which group financial statements are prepared is DTCC, which is incorporated in the United States of America. Copies of its financial statements can be obtained from www.dtcc.com.

11. EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date that would require recognition or disclosure in the financial statements.