

Company No. 06694512

**ICAP GROUP HOLDINGS PLC
GROUP AND COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2016**



ICAP GROUP HOLDINGS PLC

Directors' report for the year ended 31 March 2016

The directors present their report and the audited consolidated financial statements for ICAP Group Holdings plc (IGHP) ('the Company') and its subsidiary companies (together the Group) for the year ended 31 March 2016

Principal activity, business review and future developments

The Company is a holding company and corporate treasury vehicle for ICAP plc and its subsidiary companies (together the ICAP plc Group)

The Company is incorporated and domiciled in England and Wales. The registered office is 2 Broadgate London EC2M 7UR.

A review of business activities, future developments and a description of the principal risks and uncertainties facing the Group is given in the strategic report on page 3 and 4

Dividends

For the year ended 31 March 2016 dividends of £128m (2014/15- £255m) were paid to ICAP plc, the ultimate parent company

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. After reviewing the Group's annual budget, liquidity requirements, plans and financing arrangements, the directors are satisfied that the Company and the Group have adequate resources to continue to operate for the foreseeable future and confirm that the Company and the Group are going concerns. Management also obtained an extension of the FCA's consolidation regulatory requirements waiver, which runs until December 2017 (previously April 2016), should the disposal of IGBB not complete before 31 December 2016.

At 31 March 2016, the Group had committed headroom under its core credit facilities of £315m, which incorporates a swingline facility of up to a \$200m, with a maturity date of March 2018 (see note 9). Under the agreement for these credit facilities, the Group and the ICAP plc Group are required to comply with certain covenants. As at the balance sheet date, the Group and the ICAP plc Group complied with the terms of all its financial covenants and there are no indications for the directors to believe that the Group and the ICAP plc Group will fail to comply with these covenants in the foreseeable future.

For the above reasons, the directors continue to adopt the going concern basis in preparing these financial statements.

Charitable donations

The Group takes part in the annual ICAP Charity Day, where the revenue for one day is donated to nominated charities. During the year, the Group made charitable donations amounting to £7.5m (2014/15- £8.0m).

Disability policy

The Group's equal opportunity and diversity policy are governed by its parent, ICAP plc, and are disclosed in full in its annual report.

Events after the balance sheet date

On 13 April 2016, the Group acquired Enso Financial Analytics (ENSO), a leading provider of a data analytics platform for hedge funds and prime brokers, from its founders (Matthew Bernard, Michael Gentile and Dwayne Alleyne) and other minority stakeholders.

The Group made its first investment in ENSO in June 2013, followed by a subsequent investment in October 2014. ENSO will become a subsidiary of ICAP's PTRI division. The acquisition was led by Euclid Opportunities, ICAP's early-stage fintech investment incubator.

ENSO provides powerful portfolio analytics to the hedge fund and asset management industry. Its team of prime brokerage, asset management, technology and data specialists deliver identifiable and measurable operational insight on counterparty credit risk, collateral management, and portfolio financing and treasury functions. With more than \$1trn in total assets under advisory, ENSO provides operational insights and key analytics to many of the world's most successful fund managers.

On 1 June 2016, the Company transferred its investment in iSwap Limited to its direct subsidiary ICAP Global Broking Holdings Limited as a capital contribution.

On 8 July 2016, the Company transferred its entire interest in ICAP America Investments Limited to ICAP Global Broking Holdings Limited in connection with a global alignment of business management and legal entity governance within the ICAP Group.

Independent Auditors

The Company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial period.

Provision of information to auditors

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 auditors in connection with preparing their report, of which the auditors are unaware. Each director has taken all the steps that he is obliged to take as a director in order to make him aware of any relevant audit information and to establish that the auditors are aware of that information.

ICAP GROUP HOLDINGS PLC

Directors' report for the year ended 31 March 2016 continued

Directors

The directors of the Company who held office during the year and up to the date of signing the financial statements, were:

D Gregg	Resigned 28 April 2016
D C Ireland	
D A Abrehart	
K Pigaga	Appointed 28 April 2016
J Chamberlain	Appointed 11 September 2015
S Bridges	

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and 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 prepared the Company and Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). 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 Group and of the profit or loss of the Group for that year.

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 applicable IFRSs as adopted by the EU 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 and the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' statement pursuant to the Disclosure and Transparency Rules

The directors are also required by the Disclosure and Transparency Rules to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Company and the Group. Each of the directors confirms that, to the best of their knowledge and belief:

- the financial statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole,
- the management report disclosures which are contained in the business review and include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



D C Ireland

14 July 2016

Director

ICAP GROUP HOLDINGS PLC

Strategic report for the year ended 31 March 2016 continued

The directors present their strategic report and the audited consolidated financial statements of the Group for the year ended 31 March 2016

Business review

The Group's business provides trade execution platforms and technology based workflow/risk mitigation solutions to the global financial markets. Our services connect market participants and facilitate the flow of money and assets safely through the systems needed to make economies work efficiently. We are focused on providing our customers with innovative products that enhance their efficiency, reduce their risk and improve their cost effectiveness. Our customers trust us to provide consistent and efficient access to the right product at the right price. The barriers to entry in this arena appear low, but our hard-won and rigorously maintained reputation gives us competitive advantage.

In November 2015, ICAP plc announced that it had entered into a Transaction which will, when completed, involve the disposal of ICAP plc Group's global hybrid voice broking and information business, including its associated technology and broking platforms (including i-Swap and Fusion), certain of our joint ventures and our associates (IGBB) to Tullett Prebon. For the year ended 31 March 2016 the Group's performance is therefore reported in the Group consolidated income statement separately for continuing and discontinued operations (net of tax). Discontinued operations consist of financials attributable to IGBB, adjusted for certain provisions in the SPA.

For the year ended 31 March 2016 the Group (including discontinued) reported revenue of £1,129 million, 5% below the prior year.

During the course of the year, the Group's trading performance was impacted by the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers. This was partly offset by the increase in trading activity in emerging market currency pairs on EBS Market, and greater demand for risk mitigation products such as triReduce and triResolve.

Consistent with the ICAP plc Group's growth strategy, IGHP continues to make significant investment in all divisions. During the year the Group invested £96 million in new business lines including forwards on EBS Direct, BrokerTec Direct and triResolve Margin.

For the year ended 31 March 2016, Electronic Markets' revenue decreased by 4% on a constant currency basis and increased by 1% on a reported basis to £262 million (2014/15: £259 million). The trading operating profit fell to £78 million (2014/15: £93 million) and the trading operating profit margin decreased to 30% from 36% as £54 million (2014/15: £25 million) investment in the development of new products and functionality on the electronic trading platforms was charged to the income statement.

For the year ended 31 March 2016, Post Trade Risk and Information's revenue increased by 5% on a constant currency basis and increased by 7% on a reported basis to £245 million (2014/15: £228 million). The trading operating profit remained flat at £97 million (2014/15: £97 million) and the trading operating profit margin reduced by 3 percentage points to 40% primarily driven by continued investment in new solutions.

The Group reported a trading operating profit of £208 million, profit margin reduced to 18% (2014/15: 20%). The decrease in the trading operating profit includes the negative impact of the year-on-year adverse movement from FX losses of £14 million. Additionally, the synergies achieved in the year from the 2014/15 cost savings programme were reinvested during the year in the development of new products and technological solutions across the businesses.

Exceptional items

The Group discloses separately in the notes to the accounts items that are non-recurring and material in terms of both size and nature. This allows appropriate visibility of these items and reflects how information is reviewed by management. It allows focus on the Group's trading performance, as well as due attention specifically on the exceptional items.

For the year to March 2016 exceptional items were £39 million (2014/15: £73 million) before a tax credit of £6 million (2014/15: £16 million). This includes £8 million relating to continuing operations (2014/15: £15 million) and £31 million relating to discontinued operations (2014/15: £58 million).

The discontinued exceptional costs represent Transaction-related costs including costs of sale and separation costs that were incurred and provided at 31 March 2016. The provision at 31 March 2016 does not include those Transaction-related costs which do not meet the provision recognition criteria. The £8 million continuing exceptional costs relate to exiting non-core businesses within Electronic Markets and are therefore presented in the continuing income statement.

Outlook

Despite ongoing subdued market conditions this has been a year of good progress and positive strategic change for the Group. Trading activity since the start of the new financial year, however, continues to be challenging. The Group is confident that the transformation of the Group and the continued investment in new products and technology will result in long-term growth and improvement in profitability driving sustained shareholder value creation.

ICAP GROUP HOLDINGS PLC

Strategic report for the year ended 31 March 2016 continued

Key performance indicators (KPIs)

The Group's operations are managed on a divisional basis which are monitored using certain KPIs. The development, performance and position of the ICAP plc Group which includes the Group are discussed in the ICAP plc 2016 Annual Report which does not form part of this report.

Risk management, principal risks and uncertainties

The Group is predominantly exposed to operational, strategic, and liquidity risk. The Group's risk management is consistent with that of ICAP plc Group whereby risk management is as dynamic as the global market in which it operates. The ICAP plc Group evolves its risk management process and continually seeks to improve it. Looking forward to 2016/17 the risk focus will be on:

- monitoring market conditions, especially the impact of oil prices and considerations of a potential UK exit from the EU
- identifying growth and business opportunities through the implementation of regulatory changes such as MiFID II
- managing the change risks associated with the Transaction
- further enhancing of our risk capital modelling and
- enhancing risk management's business intelligence capability

A more detailed risk management report of the ICAP plc Group which includes the Group can be found in the ICAP plc 2016 Annual Report, which does not form part of this report.

By order of the Board



D.C. Ireland

14 July 2016

Director

ICAP GROUP HOLDINGS PLC

Independent auditors' report to the members of ICAP Group Holdings plc

Report on the financial statements

Our opinion

In our opinion

- ICAP Group Holdings plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2016 and of the Group's profit and the Group's and the Company's cash flows for the year then ended
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union
- the Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006 and as regards the Group financial statements, Article 4 of the IAS Regulation
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and as regards the group financial statements, Article 4 of the IAS Regulation

What we have audited

The financial statements, included within the Group and Company financial statements (the "Annual Report"), comprise

- the Consolidated and Company balance sheet as at 31 March 2016
- the Consolidated income statement and Consolidated statement of comprehensive income for the year then ended,
- the Consolidated and Company statement of cash flows for the year then ended
- the Consolidated and Company statement of changes in equity for the year then ended
- the accounting policies and
- the notes to the financial statements which include other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law and, as regards the Company financial statements as applied in accordance with the provisions of the Companies Act 2006

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates they have made assumptions and considered future events

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion,

- we have not received all the information and explanations we require for our audit or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us, or
- the Company financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility

ICAP GROUP HOLDINGS PLC

Independent auditors' report to the members of ICAP Group Holdings plc continued

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities 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) ("ISAs (UK & Ireland)") Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not in giving these opinions accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland) 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 Group's and 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

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements and evaluating the disclosures in the financial statements

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report



Christopher Rowland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 July 2016

ICAP GROUP HOLDINGS PLC

FINANCIAL

STATEMENTS

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ICAP GROUP HOLDINGS PLC
CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 MARCH 2016

	Note	Trading £m	Acquisition and disposal costs £m	Exceptional items £m	Total £m
Revenue	1	459	-	-	459
Operating expenses	2	(326)	(80)	(8)	(414)
Other income		-	-	-	-
Operating profit	1	133	(80)	(8)	45
Finance income	8	1	1	-	2
Finance costs	8	(38)	-	-	(38)
Share of loss of associates after tax	21	(3)	-	-	(3)
Share of profit of joint ventures after tax	20	-	-	-	-
Profit before tax from continuing operations		93	(79)	(8)	6
Tax	6	(29)	16	1	(12)
Loss for the year from continuing operations		64	(63)	(7)	(6)
Profit for the year from discontinued operations	4(a)	67	-	(26)	41
Profit for the year		131	(63)	(33)	35
Attributable to:					
Owners of the Company		134	(63)	(33)	38
Non-controlling interests		(3)	-	-	(3)
		131	(63)	(33)	35

ICAP GROUP HOLDINGS PLC
CONSOLIDATED INCOME STATEMENT
YEAR ENDED 31 MARCH 2015

(restated)	Note	Trading £m	Acquisition and disposal costs £m	Exceptional items £m	Total £m
Revenue	1	468	-	-	468
Operating expenses	2	(323)	(59)	(15)	(397)
Other income		(1)	-	-	(1)
Operating profit	1	144	(59)	(15)	70
Finance income	8	1	-	-	1
Finance costs	8	(49)	-	-	(49)
Share of loss of associates after tax	21	(2)	-	-	(2)
Share of profit of joint ventures after tax	20	-	-	-	-
Profit before tax from continuing operations		94	(59)	(15)	20
Tax	6	(23)	15	3	(5)
Profit for the year from continuing operations		71	(44)	(12)	15
Profit for the year from discontinued operations	4(a)	91	-	(45)	46
Profit for the year		162	(44)	(57)	61
Attributable to					
Owners of the Company		163	(44)	(57)	62
Non-controlling interests		(1)	-	-	(1)
		162	(44)	(57)	61

ICAP GROUP HOLDINGS PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Profit for the year		35	61
Other comprehensive income/(expense) from continuing operations			
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Revaluation gain in the year	25(a)	-	1
Cash flow hedges			
- fair value losses	25(a)	(20)	(37)
- fair value gains transferred to income statement	25(a)	17	29
		(3)	(8)
Exchange differences		42	99
Deferred tax recognised in other comprehensive income		1	-
Other comprehensive income/(expense) for the year, net of tax, from continuing operations		40	92
Other comprehensive income/(expense) for the year, net of tax, from discontinued operations		18	4
Total comprehensive income/(expense) for the year		93	157
Total comprehensive income/(expense) attributable to			
Owners of the Company		94	154
Non-controlling interests		(1)	3
		93	157

ICAP GROUP HOLDINGS PLC

CONSOLIDATED AND COMPANY BALANCE SHEET

		Group		Company	
	Note	As at 21 March 2016 £m	As at 31 March 2015 £m	As at 31 March 2016 £m	As at 31 March 2015 £m
Assets					
Non-current assets					
Intangible assets arising on consolidation	13	826	916	-	-
Intangible assets arising from development expenditure	12	88	115	-	-
Property and equipment	23	30	32	-	-
Investment in subsidiaries	19	-	-	4,406	4,937
Investment in joint ventures	20	1	8	-	-
Investment in associates	21	45	61	10	-
Deferred tax assets	6	11	5	-	-
Trade and other receivables	16	9	5	-	-
Available-for-sale investments	22	9	15	2	-
Amounts owed from affiliates		-	70	-	-
		1,019	1,227	4,418	4,937
Current assets					
Trade and other receivables	16	59,985	24,572	591	401
Cash and cash equivalents	10	156	440	11	43
Restricted funds	10	24	36	-	-
Held for sale assets	4(b)	21,272	21	-	-
		81,437	25,069	602	444
Total assets		82,456	26,296	5,020	5,381
Liabilities					
Current liabilities					
Trade and other payables	17	(60,183)	(24,784)	(1,224)	(2,394)
Borrowings	9	(64)	(30)	(64)	-
Tax payable		(43)	(35)	-	-
Provisions	14	(8)	(18)	-	-
Held for sale liabilities	4(b)	(20,787)	(4)	-	-
		(81,085)	(24,871)	(1,288)	(2,394)
Non-current liabilities					
Trade and other payables	17	(12)	(36)	(8)	(30)
Borrowings	9	(384)	(252)	(384)	(252)
Amounts owed to affiliates		(580)	(700)	(580)	(699)
Deferred tax liabilities	6	(67)	(73)	-	-
Retirement benefit obligations		(3)	(6)	-	-
Provisions	14	(13)	(19)	-	-
		(1,059)	(1,086)	(972)	(981)
Total liabilities		(82,144)	(25,957)	(2,260)	(3,375)
Net assets		312	339	2,760	2,006
Equity					
Capital and reserves					
Called up share capital	24	233	233	233	233
Other reserves	25	297	300	-	(2)
Translation		255	197	-	-
Retained earnings		(514)	(433)	2,527	1,775
Equity attributable to owners of the Company		271	297	2,760	2,006
Non-controlling interests		41	42	-	-
Total equity		312	339	2,760	2,006

The financial statements and accompanying notes on pages 8 to 68 were approved by the board on 14 July 2016 and signed on its behalf by


David Ireland
Director

ICAP GROUP HOLDINGS PLC **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Year ended 31 March 2016	Share capital (note 24(a)) £m	Other reserves (note 25(a)) £m	Translation £m	Retained earnings £m	Attributable to owners of the Company £m	Non-controlling interests £m	Total £m
Balance at 1 April 2015	233	300	197	(433)	297	42	339
Profit for the year	-	-	-	38	38	(3)	35
Other comprehensive income/(expense)							
Cash flow hedges	-	(3)	-	-	(3)	-	(3)
Exchange differences	-	-	58	-	58	2	60
Income tax	-	-	-	1	1	-	1
Total comprehensive income/(expense) for the year	-	(3)	58	39	94	(1)	93
Other movements in non-controlling interests	-	-	-	-	-	2	2
Share-based payments in the year	-	-	-	8	8	-	8
Dividends paid in the year	-	-	-	(128)	(128)	(2)	(130)
Balance at 31 March 2016	233	297	255	(514)	271	41	312

Year ended 31 March 2015	Share capital (note 24(a)) £m	Other reserves (note 25(a)) £m	Translation £m	Retained earnings £m	Attributable to owners of the Company £m	Non-controlling interests £m	Total £m
Balance at 1 April 2014	233	307	98	(247)	391	39	430
Profit for the year	-	-	-	62	62	(1)	61
Other comprehensive income/(expense)							
Cash flow hedges	-	(8)	-	-	(8)	-	(8)
Exchange differences	-	-	99	-	99	4	103
Revaluation gains realised in the year	-	1	-	-	1	-	1
Total comprehensive income/(expense) for the year	-	(7)	99	62	154	3	157
Share-based payments in the year	-	-	-	7	7	-	7
Dividends paid in the year	-	-	-	(255)	(255)	-	(255)
Balance at 31 March 2015	233	300	197	(433)	297	42	339

ICAP GROUP HOLDINGS PLC
COMPANY STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2016	Share capital £m	Hedging reserve £m	Retained earnings £m	Total £m
Balance as at 1 April 2015	233	(2)	1,775	2,006
Profit for the year	-	-	880	880
Hedging movement	-	2	-	2
Total comprehensive income for the year	-	2	880	882
Dividends paid in the year	-	-	(128)	(128)
Balance as at 31 March 2016	233	-	2,527	2,760

Year ended 31 March 2015	Share capital £m	Hedging reserve £m	Retained earnings £m	Total £m
Balance as at 1 April 2014	233	-	1,726	1,959
Profit for the year	-	-	304	304
Hedging movement	-	(2)	-	(2)
Total comprehensive income for the year	-	(2)	304	302
Dividends paid in the year	-	-	(255)	(255)
Balance as at 31 March 2015	233	(2)	1,775	2,006

ICAP GROUP HOLDINGS PLC

CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOW

	Note	Group		Company	
		Year ended 31 March 2016 £m	Year ended 31 March 2015 £m	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Cash flows from operating activities	10(a)	23	192	(139)	1 499
Cash flows from investing activities					
Dividends received from subsidiaries		-	-	69	416
Dividends received from associates		5	4	-	-
Dividends received from joint ventures		-	1	-	-
Other equity dividends received		1	-	-	-
Payments to acquire property and equipment		(17)	(8)	-	-
Intangible development expenditure		(54)	(48)	-	-
Acquisition of available-for-sale investments		(5)	-	-	-
Acquisition of interests in subsidiaries		-	(1)	(7)	(1 719)
Proceeds from disposal of subsidiaries		-	1	-	-
Acquisition of associates and joint ventures		(17)	-	-	-
Net cash flows from investing activities		(87)	(51)	62	(1 303)
Cash flows from financing activities					
Dividends paid to non-controlling interest		(2)	-	-	-
Dividends paid to owners of the Company		(128)	(141)	(128)	(141)
Repayment of borrowings		-	(259)	171	(259)
Funds received from borrowing, net of fees		170	-	-	-
Net cash flows from financing activities		40	(400)	43	(400)
Net decrease in cash and cash equivalents		(24)	(259)	(34)	(204)
Net cash and cash equivalents at beginning of the year		410	657	43	247
FX adjustments		17	12	-	-
Net cash and cash equivalents at end of the year*	10(c)	403	410	9	43

* Net of £83m overdraft as at 31 March 2016 (2014/15 – £30m).

Cash flows of discontinued operations

Cash inflows from operating activities of £25m, cash outflows from investing activities of £15m and cash outflows from financing activities of £2m were incurred in the year relating to the discontinued business

ICAP GROUP HOLDINGS PLC

BASIS OF PREPARATION

Preparation of financial statements

The consolidated financial statements of the Group and the separate financial statements of the Company have been prepared in accordance with IFRSs as issued by the IASB and the interpretations issued by the IFRS Interpretations Committee (IFRIC) and their predecessor bodies and as endorsed by the EU and the Companies Act 2006 applicable to companies reporting under IFRS. In publishing the parent company financial statements here together with the Group financial statements, the Company has taken advantage of the exemption in section 408(3) of the Companies Act 2006 not to present its individual income statement. Individual statement of comprehensive income and related notes that form a part of these financial statements. The financial statements are prepared in pounds sterling, which is the functional currency of the Company and presented in millions. ICAP Group Holdings plc is incorporated and domiciled in the UK.

The significant accounting policies adopted by the Group and the Company are included within the notes to which they relate.

Where the Group acquires entities from within the ICAP plc Group, these business combinations are under common control (in this case ICAP plc) and therefore outside the scope of IFRS3 'Business Combinations'. In prior years, for such business combinations under common control, the Group elected to apply predecessor basis of accounting. Under this method, the consolidated financial statements were prepared as if all the entities had always been combined. Therefore, the Group did not revalue the newly acquired companies' balance sheets at the date of acquisition to fair value and did not recognise any new separately identifiable intangible assets. As a result of the corporate structure reorganisation and the proposed completion of the disposal of IGBB, the Group has chosen to adopt a different method of predecessor accounting. Under this method, the acquisition of entities under common control is consolidated prospectively, thereby waiving the requirement to show effects on the earliest period presented. The impact of the change on the consolidated income statement for the year ended 31 March 2016 is £nil (2014/15 - £nil). The impact on the consolidated balance sheet as at 31 March 2016 is £nil (2014/15 - £nil).

The preparation of financial statements requires management to apply judgements and the use of estimates and assumptions about future conditions. Management considers impairment of goodwill and other intangible assets arising on consolidation (note 13), investment in joint ventures and associates (notes 20 and 21), contingent liabilities (note 15), and the presentation of exceptional items (note 3) to be the areas where increased judgement is required. Further information about key assumptions concerning the future and other key sources of estimation uncertainty are set out in the relevant notes to the financial statements. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based on amounts which differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The Group and the Company's financial statements have been prepared on a going concern basis.

In November 2015, the Group announced that it had entered into a Transaction which will, when completed, involve the disposal of its global hybrid voice broking and information business, including the associated technology and broking platforms (including i-Swap and Fusion) and certain joint ventures and associates (together IGBB) to Tullett Prebon. The disposal is subject to approvals from regulatory authorities across jurisdictions. The Group is committed to a plan to sell having signed the SPA with Tullett Prebon and it is anticipated that the required regulatory approvals will be obtained and the Transaction will complete in 2016.

The IGBB business disposal meets the criteria of IFRS5 for held for sale classification. The criteria for held for sale are met as the business is available for sale in its present condition, and the sale is highly probable. The results of the IGBB business, subject to certain provisions in the SPA, are presented as discontinued operations in the consolidated income statement as the sale is a single co-ordinated plan to dispose of a separate major line of business. The assets and liabilities attributable to IGBB, also subject to certain provisions in the SPA, are presented as held for sale assets and liabilities on the face of the balance sheet.

Presentation of the income statement

The Group maintains a columnar format for the presentation of its consolidated income statement. The columnar format enables the Group to continue its practice of improving the understanding of its results by presenting its trading profit. Trading profit is reconciled to profit before tax on the face of the consolidated income statement, which also includes acquisition and disposal costs and exceptional items.

The column acquisition and disposal costs includes: any gains, losses or other associated costs on the full or partial disposal of investments, associates, joint ventures or subsidiaries and costs associated with a business combination that do not constitute fees relating to the arrangement of financing, amortisation or impairment of intangible assets arising on consolidation, any re-measurement after initial recognition of deferred contingent consideration which has been classified as a liability, and any gains or losses on the revaluation of previous interests. The column may also include items such as gains or losses on the settlement of pre-existing relationships with acquired businesses and the re-measurement of liabilities that are above the value of indemnification.

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 Group's results. These are shown as exceptional items on the face of the consolidated income statement.

When the Group has disposed of or intends to dispose of a business component that represents a major line of business or geographic area of operations, it classifies such operations as discontinued. The post tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated income statement, separate from the other results of the Group. The consolidated income statement for the comparative periods is restated to show the discontinued operations separate from those generated by the continuing operations.

ICAP GROUP HOLDINGS PLC

BASIS OF PREPARATION continued

Basis of consolidation

The Group's consolidated financial statements include the results and net assets of the Company, its subsidiaries and the Group's share of joint ventures and associates.

Subsidiaries

An entity is regarded as a subsidiary if the Group has control over its strategic, operating and financial policies and intends to hold the investment on a long-term basis for the purpose of securing a contribution to the Group's activities.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of acquisition is measured at fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the costs of the acquisition are less than the fair value of the net assets acquired, the difference is recognised directly in the consolidated income statement.

Fees associated with an acquisition are expensed as incurred. When the Group increases its investment in an entity resulting in an associate becoming a subsidiary, the intangibles related to the acquisition are valued and the element of those not previously recognised as a share of net assets are recorded as revaluation gains realised in the year in other comprehensive income. A change of ownership that does not result in a loss of control is classified as an equity transaction, with the difference between the amount by which the non-controlling interest is recorded and the fair value of the consideration received recognised directly in equity.

Where the Group has issued a put option over shares held by a non-controlling interest, the Group derecognises the non-controlling interests and instead recognises a contingent deferred consideration liability for the estimated amount likely to be paid to the non-controlling interest on exercise of those options. The residual amount, representing the difference between any consideration paid/payable and the non-controlling interest's share of net assets, is recognised in equity. Movements in the estimated liability after initial recognition are recognised within the consolidated income statement. Where the Group has a call option over shares held by a non-controlling interest, the Group continues to recognise the non-controlling interest until it is certain that the option will be called. At that point the accounting treatment is the same as for a put option.

The results of companies acquired during the year are included in the Group's results from the effective date of acquisition. The results of companies disposed of during the year are included up to the effective date of disposal.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

On consolidation, the accounting policies of Group companies (the Company and its subsidiaries) are consistent with those applied by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated as part of the consolidation process. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Joint ventures

A joint venture is an entity in which the Group 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 Group's activities. Following the adoption of IFRS11 Joint Arrangements and IAS28 Investments in Associates and Joint Ventures on 1 April 2014, investments in joint ventures are recognised using the equity method. Under this method, such investments are initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post-acquisition change in the Group's share of net assets.

Associates

The Group classifies investments in entities over which it has significant influence, but not control, and that are neither subsidiaries nor joint ventures, as associates. Investments in associates are recognised using the equity method. Under this method, such investments are initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post-acquisition change in the Group's share of net assets.

ICAP GROUP HOLDINGS PLC

BASIS OF PREPARATION continued

Foreign currencies

In individual entities transactions denominated in foreign currencies are recorded at the prior month closing exchange rate between the functional currency and the foreign currency. At each end of the reporting period monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Exchange differences are recognised in the consolidated income statement, except for exchange differences arising on non-monetary assets and liabilities where these form part of the net investment of an overseas business or are designated as hedges of a net investment or cash flow and therefore the changes in value resulting from exchange differences are recognised directly in other comprehensive income. Non-monetary items carried at historical cost are translated in the balance sheet at the exchange rate on the original transaction date. Non-monetary items measured at fair value are translated using the exchange rate ruling when the fair value was determined.

On consolidation the results of businesses with non-pound sterling functional currencies are translated into the presentational currency of the Group at the average exchange rates for the year where these approximate to the rate at the date of the transactions. Assets and liabilities of overseas businesses are translated into the presentational currency of the Group at the exchange rate prevailing at the end of the reporting period. Exchange differences arising are recognised within other comprehensive income. Cumulative translation differences arising after the transition to IFRSs are taken to the consolidated income statement on disposal of the net investment.

Goodwill and fair value adjustments arising on the acquisition of a non-pound sterling entity are treated as assets and liabilities of that entity and translated into the presentational currency of the Group at the period closing rate. Where applicable the Group has elected to treat goodwill and fair value adjustments arising before the date of transition to IFRSs as denominated in the presentational currency of the Group.

In the consolidated statement of cash flows cash flows denominated in foreign currencies are translated into the presentational currency of the Group at the average exchange rates for the year or at the rate prevailing at the time of the transaction where more appropriate.

Future accounting developments

At 31 March 2016 the following standards have been issued by the IASB which are not effective for these consolidated financial statements:

- in July 2014, IASB issued IFRS9 'Financial Instruments' which will replace IAS39 'Financial Instruments: Recognition and Measurement'. The standard will be effective for annual periods beginning on or after 1 January 2018. IGHP intends to adopt IFRS9 for its financial statements for the year ending 31 March 2019 and
- in May 2014, IASB issued IFRS15 'Revenue from Contracts with Customers' which will replace IAS18 'Revenue' and IAS11 'Construction Contracts' and other related interpretations on revenue recognition. The standard will become effective for annual periods beginning on or after 1 January 2017. IGHP intends to adopt IFRS15 for its financial statements for the year ending 31 March 2018.

The impact on IGHP financial statements from the adoption of these IFRS standards is currently being assessed and will be disclosed closer to the time of the adoption.

ICAP GROUP HOLDINGS PLC

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ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Segmental information

The Group has determined its operating segments based on the management information including trading revenue and trading operating profit reviewed on a regular basis by the ICAP plc board. The Group considers the executive members of ICAP plc's board to be the Chief Operating Decision Maker. ICAP's three operating segments are Electronic Markets, Post Trade Risk and Information and Global Broking.

Revenue comprises brokerage or access fees from its Electronic Markets business, fees from the provision of Post Trade Risk and Information services and commission from the Group's Global Broking division.

Electronic Markets

The Group acts as an intermediary for FX, interest rate derivatives, fixed income products and CDS through the Group's electronic platforms. Revenue is generated from brokerage fees which are dependent on the average trading volumes. The Group also charges fees to use the electronic trading platform for access to liquidity in the FX or precious metal markets.

Post Trade Risk and Information (PTRI)

The Group receives fees from the sale of financial information and provision of PTRI services to third parties. These are stated net of VAT, rebates and other sales taxes and recognised in revenue on an accruals basis to match the provision of the service.

Global Broking

Matched principal and stock lending business

Certain Group companies are involved in a non-advisory capacity as principals in the matched purchase and sale of securities and other financial instruments between our customers. Revenue is generated from the difference between the purchase and sale proceeds and is recognised in full at the time of the commitment by our customers to sell and purchase the security or financial instrument. The revenue generated by the stock lending business is not material to the Group.

Agency business (name give-up)

The Group acts in a non-advisory capacity to match buyers and sellers of financial instruments and raises invoices for the service provided. The Group does not act as principal in name give-up transactions and only receives and transmits orders between counterparties. Revenue is stated net of rebates and discounts, VAT and other sales taxes and is recognised in full on the date of the trade.

Execution on exchange business

The Group also acts as a broker of exchange-listed products, where the Group executes customer orders as principal and then novates the trade to the underlying customer's respective clearing broker for settlement. Revenue is generated by raising an invoice and is recognised on the trade date.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Segmental information continued

(a) Segmental results relating to the Group's total operations

	Year ended 31 March 2016			
	Electronic Markets £m	Post Trade Risk and Information £m	Global Broking £m	Group £m
Continuing operations				
Revenue per the ICAP Group	258	194	8	460
Adjustment for non IGHP subsidiary companies				(1)
Revenue per the IGHP Group				459
Trading operating profit/(loss) per the ICAP Group	86	70	(17)	139
Adjustment for non IGHP subsidiary companies				(6)
Trading operating profit/(loss) per the IGHP Group				133
Continuing trading EBIT* per the ICAP Group	86	67	(14)	139
Adjustment for non IGHP subsidiary companies				(6)
Adjustment for non IGHP joint ventures				(1)
Adjustment for non IGHP associates				(2)
Continuing trading EBIT* per the IGHP Group				130

* Trading EBIT is the trading profit before deducting net finance cost and tax

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Segmental information continued

(a) Segmental results relating to the Group's total operations continued

	Year ended 31 March 2015			
	Electronic Markets £m	Post Trade Risk and Information £m	Global Broking £m	Group £m
Continuing operations				
Revenue per the ICAP Group	254	187	27	468
Adjustment for non IGHP subsidiary companies				-
Revenue per the IGHP Group				468
Trading operating profit/(loss) per the ICAP Group	102	70	(18)	154
Adjustment for non IGHP subsidiary companies				(10)
Trading operating profit/(loss) per the IGHP Group				144
Continuing trading EBIT* per the ICAP Group	102	68	(16)	154
Adjustment for non IGHP subsidiary companies				(10)
Adjustment for non IGHP loss from joint ventures per the IGHP Group				(1)
Adjustment for non IGHP (Loss)/Profit from associates per the IGHP Group				(1)
Continuing trading EBIT* per the IGHP Group				142

The Group did not earn more than 10% of its total revenue from any individual customer

The Group earned revenue of £314m (2014/15 – £434m) and £468m (2014/15 – £460m) from entities in the UK and US respectively. The remainder of £347m (2014/15 – £291m) came from various entities outside the UK and US.

(b) Group's continuing and discontinued operations

	Year ended 31 March 2016			Year ended 31 March 2015 (restated)		
	Continuing £m	Discontinued (note 4) £m	Group £m	Continuing £m	Discontinued (note 4) £m	Group £m
Revenue						
– Electronic Markets	258	4	262	254	5	259
– Post Trade Risk and Information	194	51	245	187	41	228
– Global Broking	7	615	622	27	671	698
	459	670	1,129	468	717	1,185
Trading operating profit						
– Electronic Markets	86	(8)	78	102	(9)	93
– Post Trade Risk and Information	70	27	97	70	27	97
– Global Broking	(23)	56	33	(28)	75	47
	133	75	208	144	93	237

Global Broking's trading operating loss from continuing operations of £23m (2014/15 – £28m) includes £20m (2014/15 – £14m) of central support costs and foreign exchange losses that were charged to the voice broking business for the reporting of the segmental results but under the SPA will not transfer to the enlarged Tullett Prebon. The remaining £3m (2014/15 – £14m) relates to ICAP's voice broking business that is outside the IGHB perimeter. Electronic Markets discontinued operations relates to i-Swap. PTRI discontinued operations includes part of ICAP Information Services (IIS) which provides voice broking generated data to the market participants.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

2. Operating expenses

The table below is presented on a total Group basis, including discontinued operations

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Profit before tax is stated after charging		
Trading operating expenses		
Employee costs*	577	625
Information technology costs	138	128
Professional and legal fees (including auditors' remuneration)	41	35
Depreciation and impairment of property and equipment (excluding IT)	1	5
Governance costs*	21	21
Clearing and settlement fees	17	17
Operating lease rentals – minimum lease payments	18	20
Exchange adjustments	14	4
Other	95	92
Trading operating expenses	922	947
Acquisition and disposal costs		
Amortisation of intangible assets arising on consolidation	38	55
Impairment of investment in associates**	25	-
Other acquisition and disposal costs	17	4
Acquisition and disposal costs	80	59
Exceptional items (note 3)	39	73
Operating expenses	1,041	1,079
Attributable to		
Continuing operations	414	397
Discontinued operations (note 4)	627	682
	1,041	1,079

* Net employee costs as per note 7(a) are £800m (2014/15 – £675m). Remaining employee costs of £23m are included in governance costs of £17m (2014/15 – £17m), exceptional items of £5m (2014/15 – £33m) and acquisition and disposal costs of £1m (2014/15 – £1m). Governance costs include fees associated with risk, compliance, internal audit and legal.

** Following the identification of impairment indicators under IAS39, impairment reviews were performed on our investments in non-core associates, resulting in impairment charges of £25m (see note 21).

The operating expenses include fees paid to Pricewaterhouse Coopers LLP for the statutory audit of the company of £40,000 (2014/15 – £40,000). Fees paid to the Company's auditor and its associates for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of ICAP plc Group disclose these fees on a consolidated basis.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

3. Exceptional items

Exceptional items are non-recurring significant items that are considered material in both size and nature. These are disclosed separately to enable a full understanding of the Group's financial performance.

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Exceptional items before tax		
Transaction-related costs – discontinued operations	31	-
Other costs – continuing operations	8	-
Restructuring programme – employee termination costs	-	33
Restructuring programme – property exits	-	18
Restructuring programme – other	-	7
Regulatory matters including associated legal and professional fees	-	15
Total exceptional items before tax	39	73
Tax credit	(6)	(16)
Total exceptional items after tax	33	57
Attributable to		
Continuing operations	7	12
Discontinued operations (note 4)	26	45

The discontinued exceptional items of £31m represent Transaction-related costs arising from the impending disposal of IGBB, including costs to sale and separation costs that were incurred and provided as at 31 March 2016. Other exceptional costs of £8m relate to exiting non-core businesses within Electronic Markets, and are therefore presented in the continuing income statement.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

4. Discontinued operations and held for sale assets and liabilities

An SPA was signed with Tullett Prebon on 11 November 2015 for the disposal of the IGBB business, at which point it met IFRS5 criteria to be classified as held for sale

The disposal is subject to approvals from regulatory authorities across a number of jurisdictions as well as finalisation of certain commercial terms and is expected to be completed in 2016

The results of the IGBB business, subject to certain provisions in the SPA, are presented as discontinued operations as the sale is a single co-ordinated plan to dispose of a separate major line of business. The assets and liabilities attributable to IGBB, also subject to certain provisions in the SPA, are presented as held for sale assets and liabilities on the face of the balance sheet. These assets and liabilities were transferred to held for sale at carrying value

(a) Results of discontinued operations

Year ended 31 March 2016	Trading £m	Acquisition and disposal costs £m	Exceptional items £m	Total £m
Revenue	670	-	-	670
Operating expenses	(596)	-	(31)	(627)
Other income	1	-	-	1
Operating profit from discontinued operations	75	-	(31)	44
Net finance income	1	-	-	1
Share of profit of associates and joint ventures after tax	7	-	-	7
Profit before tax from discontinued operations	83	-	(31)	52
Tax (note 6)	(16)	-	5	(11)
Profit for the year from discontinued operations	67	-	(26)	41
Attributable to				
Owners of the Company	68	-	(26)	42
Non-controlling interests	(1)	-	-	(1)
	67	-	(26)	41

Year ended 31 March 2015 (restated)	Trading £m	Acquisition and disposal costs £m	Exceptional items £m	Total £m
Revenue	717	-	-	717
Operating expenses	(624)	-	(58)	(682)
Operating profit from discontinued operations	93	-	(58)	35
Net finance income	2	-	-	2
Share of profit of associates and joint ventures after tax	8	-	-	8
Profit before tax from discontinued operations	103	-	(58)	45
Tax (note 6)	(12)	-	13	1
Profit for the year from discontinued operations	91	-	(45)	46
Attributable to				
Owners of the Company	92	-	(45)	47
Non-controlling interests	(1)	-	-	(1)
	91	-	(45)	46

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

4. Discontinued operations and held for sale assets and liabilities continued

(b) Breakdown of assets held for sale

	As at 31 March 2016 £m
Non-current assets	
Goodwill and other intangibles arising on consolidation	69
Other	123
Current assets	
Trade and other receivables	20,722
Cash and cash equivalents	330
Restricted funds	28
Total held for sale assets	21,272
Current liabilities	
Trade and other payables	(20,668)
Overdraft	(81)
Provisions	(12)
Other	(2)
Non-current liabilities	
Trade and other payables	(3)
Provisions	(3)
Other	(18)
Total held for sale liabilities	(20,787)
Net assets held for sale	485

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

5.Dividends payable

For the year ending 31 March 2016 total dividends of £128m (2014/15 - £255m) were proposed by the board with a payment of £128m (2014/15 - £156m and £99m)

6.Tax

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior years. Tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the tax is also included in other comprehensive income or directly within equity respectively.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax is recognised using the liability method, in respect of 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.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures, associates and intangibles arising on consolidation, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities are offset against deferred tax assets within the same taxable entity or qualifying local tax group where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 period in which such determination is made.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

6. Tax continued

Tax charged to the consolidated income statement in the year

The following tax charge breakdown is based on a total Group basis (including discontinued operations)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Tax on trading profit		
Current tax		
Current year	53	32
Adjustment to prior years	(5)	(8)
	48	24
Deferred tax		
Current year	(3)	11
Adjustment to prior years	-	-
	(3)	11
Tax charge on trading profit	45	35
Tax credit on acquisition and disposal costs		
Current year	(3)	-
Deferred tax current	(13)	(15)
Total tax credit on acquisition and disposal costs	(16)	(15)
Tax credit on exceptional costs		
Current year	(6)	(16)
Adjustment to prior years	-	-
Total tax credit on exceptional costs	(6)	(16)
Total tax charge to the consolidated income statement	23	4
Attributable to		
Continuing operations	12	5
Discontinued operations (note 4)	11	(1)

The Group's share of profit of associates in the consolidated income statement is shown net of tax of £2m (2014/15 – £2m)

The Group's share of profit of joint ventures in the consolidated income statement is shown net of tax of £1m (2014/15 – £1m)

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

6. Tax continued

Tax charged to the consolidated income statement in the year continued

The following reconciliation of the tax charge is based on a total Group basis (including discontinued operations)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Trading profit before tax	176	197
Tax on trading profit at the standard rate of Corporation Tax in the UK of 20% (2014/15 – 21%)	35	42
Reconciling items:		
Expenses not deductible for tax purposes	7	2
Non-taxable income	(4)	(3)
Impact of overseas tax rates and bases	12	1
Prior year adjustment to current and deferred tax	(4)	(8)
Impact of change in rates	(1)	1
Total tax charge on trading profit	45	35
Attributable to		
Continuing operations	29	23
Discontinued operations (note 4)	16	12

The Group's 2015/16 effective tax rate on trading profit is 25% (2014/15 – 18%)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Profit before tax	58	65
Tax on profit at the standard rate of Corporation Tax in the UK of 20% (2014/15 – 21%)	12	14
Reconciling items:		
Trading profit (see above)	10	(7)
Acquisition and disposal costs and exceptional items not deductible for tax purposes	5	4
Impact of overseas tax rates on adjusted items	(2)	(7)
Impact of change in rates on adjusted items	(2)	-
Total tax charged to the consolidated income statement	23	4

The standard rate of Corporation Tax in the UK changed from 21% to 20% with effect from 1 April 2015. Further reductions to the main rate have been enacted reducing it to 19% from 1 April 2017 and 18% from 1 April 2020. Whilst not yet enacted it has been announced that legislation in Finance Bill 2016 will set the rate at 17% from 1 April 2020. UK deferred tax will therefore unwind at a rate of 19% for periods from 1 April 2017 to 31 March 2019.

For tax expense relating to discontinued operations, see note 4.

Deferred tax balances recognised on the balance sheet

	As at 31 March 2016 £m	As at 31 March 2015 £m
Deferred tax assets	11	5
Deferred tax liabilities	(67)	(73)
Net balances	(56)	(68)

Deferred tax assets of £16m and liabilities of £13m were transferred to held for sale during the year.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

6. Tax continued

Deferred tax – movement of Group balances before offset within countries

	Goodwill £m	Intangible assets arising on consolidation £m	Employee- related items £m	Deferred income and accrued expenses £m	Losses carried forward £m	Other £m	Total £m
Net balances at 1 April 2015	(77)	(15)	24	3	-	(3)	(68)
Tax (charge)/credit	3	11	4	(1)	1	(1)	17
FX adjustments	(2)	-	1	-	-	(1)	(2)
Transfer to held for sale (note 4)	10	-	(12)	(1)	-	-	(3)
Net balances as at 31 March 2016	(66)	(4)	17	1	1	(5)	(56)

	Goodwill £m	Intangible assets arising on consolidation £m	Employee- related items £m	Deferred income and accrued expenses £m	Losses carried forward £m	Other £m	Total £m
Net balances at 1 April 2014	(61)	(28)	20	4	2	-	(63)
Tax (charge)/credit	(8)	15	2	(1)	(2)	(2)	4
FX adjustments	(8)	(2)	2	-	-	(1)	(9)
Net balances as at 31 March 2015	(77)	(15)	24	3	-	(3)	(68)

Deferred tax assets of £14m (2014/15 – £15m) have not been recognised in respect of certain trading losses because it is not probable that future profits will be available against which the Group can utilise the benefits. The principal movement in deferred tax relates to the ongoing release of the deferred tax liability on the amortisation and impairment of intangibles arising on consolidation. The brought forward deferred tax liability in relation to US goodwill was overstated by £6.4m as at 31 March 2015. This has been corrected through the tax charge in acquisition and disposal costs in the current period.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

7. Employee information and expense

Payments to defined contribution schemes are recognised as an expense in the consolidated income statement as they fall due. Any difference between the payments and the charge is recognised as a short-term asset or liability.

(a) Analysis of employee costs

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Gross salaries (including bonuses)	579	651
Social security costs	47	49
Share-based payments	8	7
Pension costs	11	9
Gross employee costs	645	716
Employee costs capitalised as internally generated intangible assets (note 12)	(45)	(41)
Net employee costs	600	675

As at 31 March 2016 there is a net defined benefit liability position of £8m (2014/15 – £6m) of which £5m has been transferred to held for sale.

(b) Number of employees analysed by business segment (including discontinued operations)

	Average		Year end	
	Year ended 31 March 2016	Year ended 31 March 2015	As at 31 March 2016	As at 31 March 2015
Electronic Markets	654	566	689	605
Post Trade Risk and Information	653	586	671	613
Global Broking	1,643	2,057	1,657	1,761
Infrastructure	706	719	740	688
Total	3,656	3,928	3,757	3,667

Company

The Company had no employees during the year. During the year, no specific payments were made to the directors for the provision of services to the Company. The directors of the Company are also employees of ICAP plc and their remuneration costs were borne and paid by a fellow subsidiary of ICAP plc.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

8. Net finance expense

The net finance expense breakdown below is on a Group basis (including discontinued operations)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Finance income		
Interest receivable and similar income		
Bank deposits	1	3
	1	3
Other finance income		
Dividends received on equity investments	1	-
Other	1	-
	2	-
Total finance income	3	3
Finance costs		
Interest payable and similar charges		
Bank loans and overdrafts	(20)	(24)
Interest payable to affiliates	(16)	(24)
Other finance costs	(2)	(1)
Total finance costs	(38)	(49)
Net finance expense	(35)	(46)
Attributable to:		
Continuing operations	(36)	(48)
Discontinued operations (note 4)	1	2

* The revaluation and unwinding of deferred considerations are presented in the acquisition and disposal costs column of the income statement, in line with the Group's presentation of the income statement policy as disclosed on page 15

Interest rate risk exposure

The Group has an exposure to fluctuations in interest rates on both its cash positions and borrowings which it manages through a combination of pound sterling, euro and yen debt drawn on fixed and floating rate terms. The Group's objective is to minimise its interest cost and the impact of interest rate volatility on the Group's consolidated income statement. In addition to debt the Group's treasury policies also permit the use of derivatives including interest rate swaps, interest rate options, forward rate agreements and cross currency swaps to meet these objectives

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

9. Borrowings

Long-term borrowings are recognised initially at fair value, being their issue proceeds net of issuance costs incurred. At subsequent reporting dates long-term borrowings are held at amortised cost using the effective interest rate method, with changes in value recognised through the consolidated income statement. Issuance costs are recognised in the consolidated income statement over the period of the borrowings using the effective interest rate method.

The borrowings note is presented on a Group basis, including borrowings attributable to held for sale liabilities.

(a) Long-term borrowings

	Group 2015/16 £m	Group 2014/15 £m	Company 2015/16 £m	Company 2014/15 £m
As at 1 April	252	288	252	288
New long-term borrowings	108	-	108	-
Exchange adjustment	24	(36)	24	(36)
As at 31 March	384	252	384	252

	Fair value as at 31 March 2016 £m	Group as at 31 March 2016 £m	Fair value as at 31 March 2015 £m	Group as at 31 March 2015 £m	Company as at 31 March 2016 £m	Company as at 31 March 2015 £m
Analysis of long-term borrowings						
Five-year senior notes repayable 2019	280	276	262	252	276	252
RCF repayable 2016	110	108	-	-	108	-
	390	384	262	252	384	252

The five-year senior notes are presented on the balance sheet at amortised cost, net of fees. To enable the Group to manage the translational exposure which arises as a result of the notes being denominated in euros and to meet its risk management objective of minimising both interest cost and the impact of interest volatility on its consolidated income statement, the Group entered into a number of cross currency swaps to convert its obligations over the life of €250m of the notes from euros to pounds sterling at an FX rate of 1.21. These swap from a fixed effective euro interest rate of 3.20% to a fixed pound sterling interest rate of 4.39%. The swaps have been accounted for as a cash flow hedge and at 31 March 2016 have a fair market value of £7m liability (2014/15 – £78m liability) and they offset the effect of FX on the notes. This resulted in a £1m charge (2014/15 – £nil) being recognised in the consolidated income statement and a £3m credit (2014/15 – £nil) in other comprehensive income during the year. The remaining €100m of the notes remain in euros and have been designated as a net investment hedge of the Group's euro-denominated net assets.

The Group's RCF of £425m was drawn by £110m as at 31 March 2016 (2014/15 – undrawn). This is presented on the balance sheet net of fees of £2m. The RCF has a maturity date of March 2018 and incorporates a \$200m swingline facility of which \$75m is available as a late day fronted solution. The weighted average effective interest rate for the year was 2.2% (2014/15 – 2.5%).

The Group's bank facilities contain a number of customary financial and operational covenants. The Group and Company remained in compliance with the terms of all its financial covenants throughout the year ended 31 March 2016.

Fair values of the five-year senior notes repayable 2019 have been measured using level 1 fair value measurement inputs.

At 31 March 2016 the Group had committed headroom under its core credit facilities of £315m (2014/15 – £425m).

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

9. Borrowings continued

(a) Long-term borrowings continued

Committed facilities

	Group as at 31 March 2016 £m Drawn	Group as at 31 March 2016 £m Undrawn*	Group as at 31 March 2015 £m Drawn	Group as at 31 March 2015 £m Undrawn*
Less than one year	62	-	-	-
Between one and two years	108	315	-	425
Between two and five years	276	-	252	-
	446	315	252	425

* The undrawn balance has been classified based on the maturity date of the facility

At 31 March 2016, the Group's long-term issuer ratings were Baa3 (stable) by Moody's and BBB (stable) by Fitch

The five senior notes and the RCF are issued in the Company

(b) Short-term borrowings

	Fair value as at 31 March 2016 £m	Group as at 31 March 2016 £m	Fair value as at 31 March 2015 £m	Group as at 31 March 2015 £m	Company as at 31 March 2016 £m	Company as at 31 March 2015 £m
Japanese yen loan	62	62	-	-	62	-
Overdrafts	83	83	30	30	2	-
	145	145	30	30	64	-

For several years, the Group has entered into a series of yen 10bn term loans with Tokyo Mitsubishi Bank Limited, borrowing each for a term of up to six months. These loans have been refinanced either immediately on maturity or a few days thereafter with similar terms.

Bank overdrafts are for short-term funding and are repayable on demand and are generally repaid within a very short time period.

£81m of the overdrafts arose due to short-term timing differences from unsettled matched principal trades which reversed subsequently. This £81m is presented in held for sale liabilities on the balance sheet.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

10. Cash

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

The Group holds money, and occasionally financial instruments, on behalf of customers (client money) in accordance with local regulatory rules. Since the Group is not beneficially entitled to these amounts, they are excluded from the consolidated balance sheet along with the corresponding liabilities to customers.

Restricted funds comprise cash held with a CCP clearing house, or a financial institution providing ICAP with access to a CCP, and funds set aside for regulatory purposes, but excluding client money. The funds represent cash for which the Group does not have immediate and direct access or for which regulatory requirements restrict the use of the cash.

The cash note is presented on a Group basis, including cash attributable to held for sale assets.

(a) Reconciliation of Group profit before tax to net cash flow from operating activities

	Group year ended 31 March 2016 £m	Group year ended 31 March 2015 £m (restated)
Profit before tax from continuing operations	6	20
Profit before tax from discontinued operations (note 4)	52	45
Operating exceptional items	39	73
Share of profit of associates after tax	(1)	(3)
Share of profit of joint ventures after tax	(3)	(3)
Amortisation and impairment of intangible assets arising on consolidation	38	55
Impairment of investment in associates	25	-
Amortisation and impairment of intangible assets arising from development expenditure	36	34
Depreciation and impairment of property and equipment	11	13
Other acquisition and disposal costs	16	2
Share-based payments (trading)	7	7
Net finance expense	36	47
Operating cash flows before movements in working capital	262	290
Decrease in trade and other receivables	(215)	153
Timing differences on unsettled match principal trades	101	(30)
Increase in restricted funds	(16)	(4)
Increase in trade and other payables	(31)	(115)
Cash generated by operations before exceptional items	101	294
Operating exceptional items paid	(29)	(46)
Cash generated by operations	72	248
Interest received	1	2
Interest paid	(18)	(27)
Tax paid	(32)	(31)
Cash flow from operating activities	23	192

The movement in trade and other receivables and trade and other payables excludes the impact of the gross-up of matched principal trades as permitted by IAS 7 'Statement of Cash Flows'. The gross-up has no impact on the cash flow or net assets of the Group. The cash flow movement in trade and other receivables includes the net movement on matched principal transactions and deposits for securities borrowed/loaned.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

10. Cash continued

(b) Net debt

Net debt comprises total cash less other debt.

	Group as at 31 March 2016 £m	Group as at 31 March 2015 £m
Gross debt (note 9)	(529)	(282)
Cash and cash equivalents	486	440
Net debt	(43)	158

(c) Total cash

	Group as at 31 March 2016 £m	Group as at 31 March 2015 £m
Cash and cash equivalents	486	440
Overdrafts	(83)	(30)
Net cash and cash equivalents	403	410
Restricted funds	52	36
Total cash	455	446

(d) Client money

At 31 March 2016 the Group held client money of £2m (2014/15 – £2m). This amount, together with the corresponding liabilities to customers, is not included in the Group's consolidated balance sheet.

(e) Restricted funds

Restricted funds comprise cash held at a CCP clearing house or a financial institution providing ICAP with access to a CCP. The balance fluctuates based on business events around the year end and decreased during the year by £12m to £24m at 31 March 2016.

11. Capital and liquidity planning and management

The Group does not seek to take proprietary market risk positions, so does not seek to expose its capital to market risk, and it does not undertake any form of maturity transformation so does not seek liquidity risk. Thus the overall approach to the planning and management of the Group's capital and liquidity is to ensure the Group's solvency, i.e. its continued ability to conduct business, deliver returns to shareholders and support growth and strategic initiatives. This risk profile meets the necessary conditions for an investment firm consolidation waiver and the Group continues to benefit from a waiver under the CRD IV provisions in force since 1 January 2014.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

11. Capital and liquidity planning and management continued

Liquidity

Group

The Group incurs exposure to liquidity risk as a result of trades executed as principal and trades executed on exchange on behalf of clients. Since principal trades are executed as matched principal there is no net funding requirement in the normal course of business and the liquidity requirements arise only in relation to the margin and collateral requirements of clearing houses, either directly or via financial institutions that provide ICAP with access to the clearing houses.

In order to execute and clear matched principal trades in securities the relevant entities need access to clearing and settlement facilities, which requires access to credit during the settlement cycle, so typically only for a one to three-day period. In order to execute trades in on-exchange derivatives the entities need access to credit facilities to carry the trades until they are taken up by customers.

In both cases, the Group can be required to post collateral or margin to support the credit lines, so access to liquidity is needed to ensure trades can continue to be supported uninterrupted. The most significant margin requirements arise in the US where, as part of its Global Broking and Electronic Markets businesses, ICAP provides clearing services to customers and is required to deposit margins with the FICC and NSCC. Trading entities of the Group use locally held highly liquid assets, predominantly cash held to meet capital requirements, together with committed and uncommitted credit facilities to meet their liquidity requirements.

The Group has a centralised approach to the provision of contingency funding for its trading entities. Through the GFC, the board periodically reviews the liquidity demands of the Group and the financial resources available to meet these demands. The GFC ensures that the Group, in totality and by subsidiary, has sufficient liquidity available in order to provide constant access, even in periods of market stress, to an appropriate level of cash, other forms of marketable securities and committed funding lines to enable it to finance its ongoing operations, proposed acquisitions and other reasonable unanticipated events on cost-effective and attractive terms. Therefore, to meet its liquidity requirements, the Group has maintained minimum core liquidity in the form of centrally held cash and undrawn debt facilities, of \$250m throughout the year.

As at 31 March 2016, the Group had gross debt of £529m (2014/15 – £282m), the maturity analysis of which is set out in note 9, and cash and cash equivalents of £485m (2014/15 – £440m) (see note 10(c)). Cash held at clearing houses, or a financial institution providing ICAP with access to a CCP, to which the Group has no immediate access in practice is disclosed as restricted funds in the financial statements (note 10(e)).

The Group invests its cash balances in a range of capital protected instruments including money market deposits, AAA-rated liquidity funds and government bonds with the objective of optimising the return while having regard to counterparty credit risk and liquidity. With the exception of some small, local cash management balances, surplus cash is invested with strong institutions which have an equivalent credit rating of A or better.

Company

The Company's policy is to ensure that it has constant access to an appropriate level of liquidity to enable it to finance its forecast ongoing operations, proposed acquisitions and other reasonable unanticipated events on cost-effective and attractive terms. If the Company has any cash, it is loaned intra-Group for further investment.

Capital management

The Group's capital strategy is consistent with that of the ICAP plc Group which is to maintain an efficient and strong capital base which maximises the return to its shareholders, while also maintaining flexibility and ensuring compliance with supervisory regulatory requirements. The capital structure of the Group consists of debt (note 9) and equity, including share capital (note 24), share premium, other reserves (note 25) and retained earnings.

The ICAP plc Group seeks to ensure that it has sufficient regulatory capital at a Group level and in individual regulated trading entities to meet regulatory requirements. The FCA granted a waiver until December 2017 that allows the ICAP plc Group to disregard the application of the consolidated capital requirements of CRD IV and its requirements include the Group being prohibited from taking proprietary positions. The ICAP plc Group continues to comply with these requirements.

The waiver modifies the calculation of the ICAP plc Group regulatory capital position and in effect excludes goodwill adjustments from the capital computation. As a result of the waiver, the ICAP plc Group's Pillar 1 regulatory capital headroom represents the difference between the capital resources of the Company, on a stand-alone basis, and the regulatory capital requirements of the ICAP plc Group calculated in accordance with the requirements of the waiver, on an aggregate basis. Pillar 1 headroom is approximately £0.8bn (2014/15 – £0.7bn) and is relatively stable due to the low amount of market and credit risk in the ICAP plc Group, but may fluctuate due to the timing of dividends and the distribution of subsidiaries' profits to the Company.

Regulatory capital at solo entity level depends on the jurisdiction in which it is incorporated and operates. In each case the approach is to hold an appropriate surplus over the local minimum. The highest capital requirements arise in the UK, where they are predominantly driven by the fixed overhead requirement, which is based on the fixed costs of the prior year and so does not fluctuate significantly within the year. As the ICAP plc Group does not take proprietary positions it does not have an inventory of assets so regulatory capital is mostly covered by cash.

ICAP also evaluates at a Group and individual legal entity level the risks facing the business, to determine whether its capital is sufficient to cover any expected losses. The ICAP plc Group uses a scenario-based model which assesses the economic capital required to cover expected risks. The process followed at ICAP plc Group level is consistent with the CRD requirement for ICAP's FCA regulated entities to perform an internal capital adequacy assessment process (ICAAP) under Pillar 2. The results for both are documented, updated and approved annually by the board and the UK regulated entity boards respectively. The Group overall and

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

11. Capital and liquidity planning and management continued

Capital management continued

each regulated trading company complied with their regulatory capital requirements throughout the year

In general, higher levels of market volatility can result in increased demand for the Group's services. However, as the regulatory capital requirement is driven predominantly by the fixed cost base, the impact of changes in volumes on the capital requirement is significantly dampened. As such, absent a material acquisition, loss of the waiver or a change in the computation basis, existing capital resources are viewed as sufficient to operate and to continue to invest in the development of the Group's businesses.

Following the disposal of IGBB, it is expected that the Group will not be subject to consolidated regulatory capital requirements.

12. Intangible assets arising from development expenditure

Development expenditure on software is recognised as an intangible asset in accordance with the provisions of IAS38 'Intangible Assets'. Capitalised expenditure is recognised initially at cost and is presented subsequently at cost less accumulated amortisation and provisions for impairment. Amortisation of these assets is charged to the consolidated income statement on a straight-line basis over the expected useful economic life of the asset of three to five years. The Group reviews the useful economic lives of these assets on a regular basis.

Development costs are incurred and capitalised when a final development plan (including the specifics of the assets to be developed) is signed off by a committee with appropriate delegated authority (including business management boards). As part of the approval process, the committee considers the commercial viability and technological feasibility of bringing the asset into use. When a project is abandoned in the development phase, costs are charged to the income statement. Prior to this stage, costs incurred in the research phase including undertaking feasibility studies are recorded in the income statement. Once an internally generated software asset is brought into use, any ongoing related costs are charged to the income statement to the extent that they relate to ongoing maintenance of the asset. Where any costs are identified by an appropriately authorised management committee to be an enhancement to the original asset, these costs are capitalised and amortised over the remaining expected useful life of the asset.

The Group has an internal threshold for capitalisation of £5,000 for individual assets and £125,000 for software-related projects.

The key component of the development costs is compensation of employees. Each of the Group's businesses and the Group's infrastructure area have their own dedicated IT project development teams.

Amortisation and impairment of intangible assets arising from development expenditure is charged within operating expenses. Amortisation is charged against assets from the date at which the asset becomes available for use.

Group	2015/16 £m	2014/15 £m
Cost		
As at 1 April	295	266
Additions*	54	48
Disposals	(58)	(32)
Transfer to held for sale (note 4)	(83)	-
Exchange adjustments	(1)	13
As at 31 March	207	295
Accumulated amortisation and impairment		
As at 1 April	180	166
Amortisation charge for the year	36	34
Impairment in the year	3	1
Disposals	(58)	(32)
Transfer to held for sale (note 4)	(47)	-
Reclassifications	2	-
Exchange adjustments	3	11
As at 31 March	119	180
Net book value		
As at 31 March	88	115

* Included within additions are £45m (2014/15 – £41m) of employee costs (note 7(a)).

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

13. Intangible assets arising on consolidation

Since 1 April 2004, intangible assets arising on consolidation include goodwill and other separately identifiable intangible assets such as customer relationships and customer contracts that arose on business combinations. The amortisation and any impairment is included in the consolidated income statement within the column 'Acquisition and disposal costs'. The Group reviews the performance of the acquired businesses and reassesses the period over which the acquired intangible asset is likely to continue to generate cash flows that exceed the carrying value.

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries when the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest and the fair value of any previously held equity interest in the acquiree exceeds the amount of the identifiable net assets acquired. If the amount of the identifiable assets and liabilities acquired is greater, the difference is recognised immediately in the income statement. Goodwill is initially recognised at cost and is subsequently held at cost less any provision for impairment.

Goodwill arises on the acquisition of investments in joint ventures when the cost of investment exceeds ICAP's share of the net fair value of the joint venture's identifiable assets and liabilities. Goodwill arising on the acquisition of joint ventures is included in 'Investments in joint ventures' and is not tested separately for impairment. See note 20.

Goodwill arises on the acquisition of interests in associates when the cost of investment exceeds ICAP's share of the net fair value of the associate's identifiable assets and liabilities. Goodwill arising on the acquisition of associates is included in 'Interests in associates' and is not tested separately for impairment. See note 21.

Where the Group makes an acquisition and the balances are reported as provisional at the year end, the Group has a measurement period of up to 12 months from the date of acquisition to finalise the provisional amounts where new information becomes available about facts and circumstances that existed at the balance sheet date, which could impact the value of goodwill and intangible assets arising on consolidation. The measurement period ends as soon as the information required is received.

On disposal of a subsidiary, joint venture or associate, the attributable goodwill is included in the calculation of the profit or loss on disposal, except for goodwill written off to reserves prior to 1998, which remains eliminated.

(ii) Separately identifiable intangible assets

The Group has recognised separately identified intangible assets on acquisitions where appropriate. These generally include customer contracts and customer relationships. Intangible assets acquired by the Group are stated initially at fair value and are adjusted subsequently for amortisation and any impairment. Amortisation and impairment of intangibles arising on consolidation are recognised in the second column of the consolidated income statement. Where an impairment has taken place, the asset is reviewed annually for any reversal of the impairment. Any reversals of impairment are credited to the consolidated income statement. All separately identifiable intangible assets have a finite life (excluding goodwill).

Amortisation of separately identifiable intangible assets is charged to the consolidated income statement on a straight-line basis over their estimated useful lives as follows.

Customer relationships	2 – 10 years
Customer contracts	Period of contract
Other intangible assets	Period of contract

A deferred tax liability is recognised against the asset for which the amortisation is non-tax deductible. The liability unwinds over the same period as the asset is amortised.

(iii) Impairment

Goodwill is not amortised but is tested for impairment annually and whenever there is an indicator of impairment. Goodwill and other intangible assets arising on consolidation are allocated to a cash generating unit (CGU) at acquisition for the purpose of impairment testing, which is undertaken at the lowest level at which goodwill is monitored for internal management purposes. The identification of CGUs is reviewed where there is a significant change to the Group's segmental reporting structure. Impairment testing is performed by comparing the recoverable amount of a CGU with its carrying amount. The carrying amount of a CGU is based on the assets and liabilities of each CGU, including attributable goodwill. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value in use (VIU). VIU is the present value of the expected future cash flows from a CGU. Where the carrying value of the asset exceeds its VIU, an impairment charge is recognised immediately in the consolidated income statement, and the asset is stated at cost less accumulated impairment losses. For goodwill, impairment charges previously recognised are not reversed and impaired intangible assets are reviewed annually for reversal of previously recognised impairment.

This process requires the exercise of significant judgement by management, if the estimates made prove to be incorrect or performance does not meet expectations which affect the amount and timing of future cash flows, goodwill and intangible assets may become impaired in future periods.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

13. Intangible assets arising on consolidation continued

(a) Intangible assets arising on consolidation

	Goodwill £m	Other £m	Total £m
Cost			
As at 1 April 2015	1,014	620	1,634
Additions	5	-	5
Transfer to held for sale	(78)	-	(78)
Exchange adjustments	24	-	24
As at 31 March 2016	965	620	1,585
Amortisation and impairment			
As at 1 April 2015	151	567	718
Amortisation charge for the year	-	38	38
Write off	3	-	3
As at 31 March 2016	154	605	759
Net book value			
As at 31 March 2016	811	15	826
	Goodwill £m	Other £m	Total £m
Cost			
As at 1 April 2014	966	616	1,582
Transfers to held for sale	(13)	(2)	(15)
Exchange adjustments	61	6	67
As at 31 March 2015	1,014	620	1,634
Amortisation and impairment			
As at 1 April 2014	151	512	663
Amortisation charge for the year	-	55	55
As at 31 March 2015	151	567	718
Net book value			
As at 31 March 2015	863	53	916

The Group recognises £826m of intangible assets arising on consolidation, with £811m relating to goodwill and £15m relating to other intangible assets. The other intangible assets at 31 March 2016 mainly represent customer relationships, and have varying remaining amortisation periods across CGUs.

The £826m of intangible assets excludes goodwill and other intangible assets of £78m primarily relating to IG88 which were reclassified to held for sale assets (note 4). There was no impairment recognised in relation to IG88. Following the reclassification of the shipping business to held for sale, an impairment charge of £9m was recognised.

The individual CGUs' goodwill, other intangible assets arising on consolidation and net assets were tested for impairment, which resulted in no impairment. During the year, exiting non-core Electronic Markets businesses resulted in writing off £3m of goodwill, which has been presented as exceptional.

Additions of £5m relate to the acquisition of Molten Markets Inc. The goodwill is monitored as part of EBS for impairment review purposes.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

13. Intangible assets arising on consolidation continued

(b) Impairment testing of intangible assets arising on consolidation

		As at 31 March 2016			
CGU	Business segment	% of total goodwill and other intangibles	Goodwill £m	Other £m	Net book value £m
BrokerTec	Electronic Markets	18	145	-	145
EBS	Electronic Markets	44	357	5	362
Reset	Post Trade Risk and Information	18	146	-	146
TnOptima	Post Trade Risk and Information	7	57	-	57
Traiana	Post Trade Risk and Information	13	106	10	116
Total		100	811	15	826

		As at 31 March 2015			
CGU	Business segment	% of total goodwill and other intangibles	Goodwill £m	Other £m	Net book value £m
BrokerTec	Electronic Markets	16	145	-	145
EBS	Electronic Markets	41	345	33	378
Reset	Post Trade Risk and Information	15	141	-	141
TnOptima	Post Trade Risk and Information	6	52	-	52
Traiana	Post Trade Risk and Information	13	103	19	122
Information	Post Trade Risk and Information	-	3	-	3
Global Broking	Global Broking	9	74	1	75
Total		100	863	53	916

Impairment testing methodology

The recoverable amount of a CGU is determined using VIU calculations, which are based on discounting management's pre-tax cash flow projections for the CGU. The pre-tax discount rate used is the weighted average cost of capital (WACC). ICAP allocates to investments in the businesses within which the CGU operates. A long-term growth rate estimate is used to extrapolate the cash flows in perpetuity because of the long-term nature of the businesses in the CGUs.

Key assumptions	Discount rate		Long-term growth rate	
	2015 %	2015 %	2015 %	2015 %
BrokerTec	8.7	8.7	4.5	4.9
EBS	8.9	8.9	4.2	4.6
Reset	9.0	9.0	4.3	4.6
TnOptima	8.4	8.5	4.3	4.5
Traiana	8.5	8.5	4.5	5.1

Discount rates

The Group's pre-tax WACC was 8.6% (2014/15 – 8.5%). The Group's WACC is a function of the Group's cost of equity derived using a Capital Asset Pricing Model (CAPM), and the Group's cost of debt. The cost of equity estimate depended on inputs in the CAPM reflecting a number of variables including the risk-free rate and a premium to reflect the inherent risk of the business being evaluated. These inputs are based on the market's assessment of economic variables and management judgement. All inputs to the CAPM model were externally sourced. The CGU-specific WACCs were then derived by adjusting the Group WACC for business-specific risk factors.

Nominal long-term growth rate

The growth rate reflects weighted average real GDP growth and inflation for the countries within which the CGUs operate. The rates are based on the International Monetary Fund's medium term forecasts as they are deemed to be reliable estimates of likely future trends. The rates applied do not exceed the expected growth in the local economy or for businesses which operate on a global scale the global GDP. Given continuing challenges, a nil terminal growth rate was applied for Global Broking.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

13. Intangible assets arising on consolidation continued

(b) Impairment testing of intangible assets arising on consolidation continued

Management's judgement in estimating the cash flows of a CGU

The cash flow projections for each CGU are based on plans approved by the board of directors. For the 2015/16 annual impairment testing of Traiana, management's cash flow projections for the three years ending 31 March 2018 were used. For all other CGUs management cash flow projections for the year ending 31 March 2017 were used.

Based on the conditions at the balance sheet date and having assessed sensitivities of the key assumptions, management determined that a reasonably possible change in any of those key assumptions noted above would not cause an impairment in any of the CGUs.

14. Provisions

A provision is recognised where there is a present obligation, either legal or constructive, as a result of a past event for which it is probable there will be a transfer of economic benefits to settle the obligation. A provision is only recognised where a reliable estimate can be made of the value of the obligation.

	Restructuring £m	Regulatory matters £m	Other £m	Total £m
As at 1 April 2015	17	15	5	37
Amounts recognised in the income statement	-	-	7	7
Settled during the year	(5)	(1)	-	(6)
Exchange adjustments	-	(1)	(1)	(2)
Transfer to held for sale (note 4)	(2)	(11)	(2)	(15)
As at 31 March 2016	10	2	9	21

As at 1 April 2014	-	13	5	18
Amounts recognised in the income statement	17	11	-	28
Settled during the year	-	(8)	-	(8)
Reclassified from accruals	-	-	1	1
Exchange adjustments	-	(1)	(1)	(2)
As at 31 March 2015	17	15	5	37

The expected maturity profile of the contractual provisions is disclosed in note 17.

Other provisions of £7m recognised during the year include £6m estimated provisions relating to separation costs to be incurred prior to the completion of the IG88 disposal. Transferred to held for sale includes £2m of restructuring provisions relating to the onerous lease provisions for Jersey City offices in the US, £2m of other provisions, and £11m of regulatory matters provisions in relation to the €14.9m fine imposed by the European Commission in February 2015.

Restructuring provisions of £10m at 31 March 2016 relate to onerous lease provisions for the London and Singapore offices as the Group will continue to retain the leases following the completion of the IG88 disposal.

15. Contingent liabilities, contractual commitments and guarantees

The Group's contingent liabilities include possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of ICAP. Additionally, contingent liabilities also include present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of economic benefits, or because the amount of the obligations cannot be reliably measured. Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of the outflow of the Group's economic resources is remote. Judgements applied in concluding the appropriateness of contingent liabilities disclosure are confirmed after consultation with external counsel.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

15. Contingent liabilities, contractual commitments and guarantees continued

Contingent liabilities

The Company and its subsidiaries continue to co-operate with the government agencies in Europe and the US relating to their investigations into the setting of yen Libor. The Company is no longer a named defendant in the initial US civil litigation against various yen Libor and euroyen Tibor setting banks. However, the plaintiff in that litigation was given permission by the court to add ICAP Europe Limited (IEL) as a defendant, and an amended complaint doing so was filed on 29 February 2016. IEL intends to file a motion to dismiss the amended complaint by the 16 May 2016 deadline set by the court for such a motion. On 24 July 2015, a new litigation was filed on behalf of two additional plaintiffs in the same court based on similar allegations. The new litigation includes claims against ICAP plc and IEL, both of which have filed motions to dismiss for lack of personal jurisdiction and have joined co-defendants' motion to dismiss for failure to state a claim. Oral argument on these motions is scheduled for 5 May 2016. Plaintiffs in the Euribor civil litigation named ICAP plc and IEL on 13 August 2015 as parties to that pre-existing litigation. ICAP plc and IEL have joined the other defendants in filing motions to dismiss for lack of personal jurisdiction and for failure to state a claim. These motions are fully briefed and the parties are awaiting scheduling of oral argument. Plaintiffs in one of the US dollar Libor civil litigations sought permission to add the Company and IEL as defendants in that case. On 15 April 2016, the court denied the plaintiffs request on the grounds that it lacked personal jurisdiction over the Company and IEL, with the result that neither company will be added to the litigation. It is not practicable to predict the ultimate outcome of these inquiries or the litigations. As a result it is not possible to provide an estimate of any potential financial impact on the Group.

ICAP continues to co-operate with inquiries by the US government agencies into the setting of USD ISDAFIX rates. In 2014, civil lawsuits were filed in the US against USD ISDAFIX setting banks, where a subsidiary of the Company was originally named, but was subsequently replaced by ICAP Capital Markets LLC, as a defendant. Those suits have now been consolidated into a single action. The Company intends to defend these litigation claims vigorously. It is not practicable to predict the ultimate outcome of these inquiries or the litigation. As a result it is not possible to provide an estimate of any potential financial impact on the Group.

On 25 November 2015 a civil class action was filed in the United States District Court for the Southern District of New York against a number of banks, Tradeweb Markets LLC and ICAP Capital Markets LLC (ICM) alleging that the defendants together colluded to prevent buy-side customers from accessing the interest rate swaps market on electronic, exchange-like platforms. ICM will be filing a motion to dismiss the complaint for failure to state a claim. On 18 February 2016, a civil class action was filed in the United States District Court for the Northern District of Illinois against a number of banks, Tradeweb Markets LLC and ICM alleging that the defendants boycotted and collusively targeted a series of new electronic, exchange-like trading platforms that would have allowed access to buy-side customers. The action asserts claims of violation of antitrust laws and unjust enrichment. ICAP has not yet been formally served with the complaint. In addition to these two class action litigations, ICM has been named as a defendant in civil litigation filed on 18 April 2016 against a group of banks, as well as Tradeweb, in the United States District Court for the Southern District of New York by the Tera Exchange and affiliated entities. The suit alleges that the defendants conspired to boycott plaintiff's platform in order to undermine increased competition in the interest rate swaps market. The action includes claims of violation of antitrust laws, unjust enrichment and tortious interference with business relations. ICM has not yet been formally served with the complaint. The case has been accepted by the Southern District of New York as related to the class action litigation described above. It is not possible to predict the outcome of these litigations or to provide an estimate of any potential liability or financial impact on the Group.

From time to time the Group is engaged in litigation in relation to a variety of matters, and is also required to provide information to regulators and other government agencies as part of informal and formal inquiries or market reviews.

Details of regulatory and other matters that have a provision recognised for them are detailed in note 14.

Contractual commitments

Operating lease commitments

At the end of the financial year, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows (including commitments that will transfer to TP ICAP)

	As at 31 March 2016 £m	As at 31 March 2015 £m
Within one year	22	19
Between one and five years	52	60
After five years	11	17
	85	96

The commitments include onerous lease provisions but before the estimated receipt of £2m under a non-cancellable sublease as at 31 March 2016 (2014/15 – £3m). Operating lease commitments relate to the rental of premises for office space in the UK, US, Israel and Asia Pacific.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

15. Contingent liabilities, contractual commitments and guarantees continued

Contractual commitments continued

Guarantees

In the normal course of business certain Group companies enter into guarantees and indemnities to cover clearing and settlement arrangements and/or the use of third party services/software. It is not possible to quantify the extent of any potential liabilities but there are none currently expected to have a material impact on the Group's consolidated results or net assets. As at 31 March 2016 the Group has given £481m (2014/15 – £314m) of guarantees to counterparties.

16. Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently reviewed for recoverability. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments, are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the future cash flows. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement within 'operating expenses'. When a trade receivable is determined to be uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'Operating expenses' in the consolidated income statement.

Loans and receivables are non-derivative financial instruments which have a fixed or determinable value. They are recognised at cost, less any provisions for impairment in their value.

Fair value through profit or loss assets are designated as such where they meet the conditions of IAS39 'Financial Instruments Recognition and Measurement'. They are recognised initially at fair value and any subsequent changes in fair value are recognised directly in the consolidated income statement. These assets are usually held for short-term gain, or are financial instruments not designated as hedges. The accounting policy for derivative financial instruments is included in note 26.

Matched principal transactions are those where the Group acts in a non-advisory capacity as principal in the commitment to purchase and sell securities and other financial instruments through two or more transactions between our customers. Such trades have no contractual settlement date and are complete only when all sides of the transaction are settled, and therefore an aged analysis of matched principal trade receivables is not appropriate. Substantially all matched principal receivables and payables settle within a short period of time, usually within three days of the trade date. All amounts due to and payable by counterparties in respect of matched principal business are shown gross as matched principal trade receivables and matched principal trade payables (note 18), except where a netting agreement, which is legally enforceable at all times, exists and the asset and liability are either settled net or simultaneously. If any unmatched trades remain outstanding, the asset or liability is held within matched principal trade receivables or payables as appropriate and fair valued through the consolidated income statement until the trade is completed.

The Group acts as an intermediary between our customers for collateralised stock lending transactions. Such trades are complete only when both the collateral and stock for each side of the transaction are returned. The gross amounts of collateral due to and receivable are disclosed in the balance sheet as deposits paid for securities borrowed and deposits received for securities loaned (note 17).

Financial instruments not held at fair value are impaired where there is objective evidence that the value may be impaired. The amount of the impairment is calculated as the difference between the carrying value and the present value of any expected future cash flows, with any impairment being recognised in the consolidated income statement. Subsequent recovery of amounts previously impaired are credited to the consolidated income statement.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

16. Trade and other receivables continued

	Group as at 31 March 2016 £m	Group as at 31 March 2015 £m	Company as at 31 March 2016 £m	Company as at 31 March 2015 £m
Non-current receivables				
Deposits	3	2	-	-
Other receivables	6	3	-	-
	9	5	-	-
Current receivables				
Matched principal trade receivables	59,322	23,308	-	-
Deposits paid for securities borrowed	-	758	-	-
Other trade receivables	69	185	-	-
Impairment of other trade receivables	(1)	(3)	-	-
Amounts owed by affiliates	527	223	356	311
Amounts owed by subsidiaries	-	-	200	48
Amounts owed by associates	-	3	-	-
Amounts owed by other related parties	1	1	-	-
Tax receivable	-	-	20	24
Derivative financial instruments	3	7	3	7
Other receivables	55	53	12	8
Prepayments	9	37	-	3
	59,985	24,572	591	401

Current trade receivables of £20,727m, not included above, have been reclassified to held for sale (note 4). The increase in trade receivables and payables is principally due to a change in clearing arrangements for certain US Treasuries within BrokerTec.

(a) Credit risk management

The Group is exposed to credit risk in the event of non-performance by counterparties in respect of its name give-up, matched principal, exchange-traded and corporate treasury operations. The Group does not bear any significant concentration risk to either counterparties or markets.

The credit risk in respect of name give-up and post trade risk and information services businesses is limited to the collection of outstanding commission and transaction fees and this is managed proactively by the Group's accounts receivable function with oversight from the independent credit risk function.

The matched principal business involves the Group acting as a counterparty on trades which are undertaken on a delivery versus payment basis. The Group manages its credit risk in these transactions through appropriate policies and procedures in order to mitigate this risk including stringent on-boarding requirements, setting appropriate credit limits for all counterparties which are closely monitored by the regional credit risk teams to restrict any potential loss through counterparty default. A significant portion of the Group's counterparty exposure at any given point throughout the year is to investment grade counterparties (rated BBB-/Baa3 or above). The Group's potential stressed counterparty credit risk calculated in the ICAAP is less than 5% of the Group's total capital resources.

The credit risk on core cash, cash equivalents and derivative financial instruments is monitored on a daily basis. All financial institutions that are transacted with for corporate purposes are approved by the Group Finance Committee and internal limits are assigned to each one based on a combination of factors including external credit ratings. The majority of cash and cash equivalents is deposited with investment grade rated financial institutions.

Company

The Company is exposed to credit risk in the event of non-performance by counterparties. This risk is considered minimal as all counterparties are Group companies and the risk of non-payment is viewed as low.

(b) Impairment of other trade receivables

Other trade receivables represent amounts receivable in respect of agency business and information services. All receivables are individually assessed for impairment at the reporting date. Management judgement is applied in determining whether there is objective evidence that a loss event has occurred and, if so, the measurement of the impairment allowance. In determining whether there is objective evidence that a loss event has occurred, judgement is exercised in evaluating all relevant information on indicators of impairment, which is not restricted to the consideration of whether payments are contractually past due but includes broader consideration of factors indicating deterioration in the financial condition and outlook of customers affecting their ability to pay. For those receivables where objective evidence of impairment exists, management determines the size of the allowance required based on a range of factors including probability of default and, if defaulted, expectation of recovery. If in a subsequent period, the

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

16. Trade and other receivables continued

(b) Impairment of other trade receivables continued

amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed and the reversal is recognised in the income statement

As at 31 March 2016 £2m of other trade receivables remain impaired (2014/15 – £3m), which includes £1m classified as held for sale. There have been no new impairments during the year.

Past due but not impaired trade and other receivables are those in respect of which the debtor has failed to make a payment or a partial payment in accordance with the contractual terms of the invoice but there is no major concern over the credit worthiness of the counterparty therefore they are not impaired. In the prior reporting periods receivables past a normal settlement date were considered past due and were reported on that basis. As at 31 March 2016 the following other trade receivables were past due but not impaired:

Group	As at 31 March 2016 £m	As at 31 March 2015 £m
Less than 30 days overdue	90	107
Over 30 days but less than 90 days overdue	42	51
Over 90 days but less than 180 days overdue	11	11
Over 180 days overdue	15	13
	158	182

Other trade receivables past due but not impaired of £158m include £90m classified as held for sale.

(c) Offsetting financial assets and financial liabilities

The Group operates under a clearing arrangement for certain US matched principal transactions on a fully disclosed clearing basis, which provides the Group with the legally enforceable right to set off the recognised amounts and settle on a net basis. As such, certain matched principal trade receivables and payables (note 18) are recorded on a net basis. Absent the change in the clearing arrangements for certain US Treasuries within BrokerTec during the year, the gross amounts netted in the year would have been £59,322m higher.

Group	As at 31 March 2016 £m	As at 31 March 2015 £m
Gross recognised receivable	172,779	171,599
Gross recognised payable	171,807	171,182
Gross amounts that are netted	171,807	171,182
Gross amounts subject to netting arrangements that are not offset	972	417
Deposit securities paid (collateral)	14	15

The above disclosure is on a Group basis and therefore includes held for sale.

(d) Trade receivables by currency

The table below shows the concentration of the Group's trade receivables by currency (including those classified as held for sale).

Trade receivables as at 31 March 2016

Group	Pound sterling £m	Dollar £m	Euro £m	Yen £m	Other currencies £m	Total £m
Matched principal trade receivables	2,591	69,489	5,778	572	495	78,925
Deposits paid for securities borrowed	71	917	-	-	-	988
Other trade receivables (net)	31	97	20	2	8	158
	2,693	70,503	5,798	574	503	80,071

Trade receivables as at 31 March 2015

Group	Pound sterling £m	Dollar £m	Euro £m	Yen £m	Other currencies £m	Total £m
Matched principal trade receivables	4,533	13,474	3,120	356	1,825	23,308
Deposits paid for securities borrowed	-	758	-	-	-	758
Other trade receivables (net)	32	119	19	3	9	182
	4,565	14,351	3,139	359	1,834	24,248

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

17. Trade and other payables

Accounts payable are recognised initially at fair value based on the amounts exchanged and subsequently held at amortised cost.

The accounting policies for matched principal transactions and collateralised stock lending are included within the trade and other receivables note (note 16)

Details of the accounting policy relating to derivative financial instruments is included in note 26

	Group as at 31 March 2016 £m	Group as at 31 March 2015 £m	Company as at 31 March 2016 £m	Company as at 31 March 2015 £m
Current payables				
Matched principal trade payables	59,322	23,266	-	-
Deposits received for securities loaned	-	758	-	-
Other trade payables	10	11	-	-
Amounts owed to affiliates	721	474	332	333
Amounts owed to subsidiaries	-	-	868	2,045
Amounts owed to joint ventures	-	2	-	-
Amounts owed to associates	4	-	-	-
Amounts owed to related parties	1	1	-	-
Derivative financial instruments	12	10	12	10
Accruals	87	214	12	6
Other tax and social security	6	10	-	-
Deferred income	16	21	-	-
Other payables	3	13	-	-
Contingent deferred consideration	1	3	-	-
Deferred consideration	-	1	-	-
	60,183	24,784	1,224	2,394

Current trade payables of £20,668m, not included above, have been reclassified to held for sale (note 4)

	Group as at 31 March 2016 £m	Group as at 31 March 2015 £m	Company as at 31 March 2016 £m	Company as at 31 March 2015 £m
Non-current payables				
Accruals	-	1	-	-
Contingent deferred consideration	3	1	-	-
Derivative financial instruments	8	30	8	30
Other payables	-	1	-	-
Deferred income	1	3	-	-
Total	12	36	8	30

As at 31 March 2016 the fair value of trade and other payables is not materially different from their book values

Non-current trade payables of £3m, not included above, have been reclassified to held for sale (note 4)

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

17 Trade and other payables continued

(a) Maturity of trade and other payables and provisions

The table below shows the maturity profile of the Group's financial liabilities included within trade and other payables (excluding those classified as held for sale) based on the contractual amount payable on the date of repayment

Maturity of trade and other payables and provisions as at 31 March 2016

	Less than three months £m	Three months to one year £m	One to five years £m	Greater than five years £m	Total £m
Matched principal trade payables	59,322	-	-	-	59,322
Other trade payables	10	-	-	-	10
Derivative financial instruments	4	8	8	-	20
Amounts owed to affiliates	721	-	-	-	721
Amounts owed to associates	4	-	-	-	4
Amounts owed to related parties	1	-	-	-	1
Other payables	3	-	-	-	3
Contingent deferred consideration	-	1	3	-	4
Accruals	57	30	-	-	87
	60,122	39	11	-	60,172

Maturity of trade and other payables and provisions as at 31 March 2015

	Less than three months £m	Three months to one year £m	One to five years £m	Greater than five years £m	Total £m
Matched principal trade payables	23,266	-	-	-	23,266
Deposits received for securities loaned	758	-	-	-	758
Other trade payables	11	-	-	-	11
Derivative financial instruments	10	-	30	-	40
Amounts owed to affiliates	474	-	700	-	1,174
Amounts owed to joint ventures	2	-	-	-	2
Amounts owed to related parties	1	-	-	-	1
Other payables	10	3	1	-	14
Contingent deferred consideration	2	1	1	-	4
Deferred consideration	-	1	-	-	1
Provisions	2	16	19	-	37
Accruals	56	158	1	-	215
	24,592	179	752	-	25,523

The gross amounts payable have been disclosed above, rather than their net present value. Based on their short-term nature there is no material difference between the net present value and gross amount of the balances disclosed above

Company

The following table shows the maturity of the Company's liabilities.

As at 31 March 2016					As at 31 March 2015				
	Less than three months £m	Three months to one year £m	One to five years £m	Total £m	Less than three months £m	Three months to one year £m	One to five years £m	Total £m	
Borrowings	-	64	384	448	-	-	252	252	
Accruals	-	12	-	12	-	6	-	6	
Derivative financial instruments	4	8	8	20	10	-	30	40	
Amounts owed by Group companies	1,200	-	580	1,780	2,378	-	699	3,077	
Total	1,204	84	972	2,260	2,388	6	981	3,375	

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

18. Financial assets and liabilities

(a) Financial assets

The carrying value less impairment of current trade receivables and payables is assumed to approximate their fair values due to their short-term nature

As at 31 March 2016 and 2015, the fair values of financial assets are not materially different from their book values

The table below excludes financial assets classified as held for sale

Classification of financial assets as at 31 March 2016

	Hedging instruments £m	Available- for-sale £m	Loans and receivables £m	Total £m
Cash and cash equivalents	-	-	156	156
Restricted funds	-	-	24	24
Available-for-sale investments	-	9	-	9
Amounts owed by affiliates	-	-	527	527
Matched principal trade receivables	-	-	59,322	59,322
Other trade receivables (net)	-	-	68	68
Amounts owed from other related parties	-	-	1	1
Derivative financial instruments	3	-	-	3
Other receivables	-	-	62	62
	3	9	60,160	60,172

Classification of financial assets as at 31 March 2015

	Hedging instruments £m	Available- for-sale £m	Loans and receivables £m	Total £m
Cash and cash equivalents	-	-	440	440
Restricted funds	-	-	36	36
Available-for-sale investments	-	15	-	15
Matched principal trade receivables	-	-	23,308	23,308
Deposits paid for securities borrowed	-	-	758	758
Other trade receivables (net)	-	-	182	182
Amounts owed by affiliates	-	-	293	293
Amounts owed by associates	-	-	3	3
Amounts owed from other related parties	-	-	1	1
Derivative financial instruments	7	-	-	7
Other receivables	-	-	56	56
	7	15	25,077	25,099

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

18. Financial assets and liabilities continued

(a) Financial assets continued

Financial assets can be reconciled to the balance sheet as follows

	As at 31 March 2016 £m	As at 31 March 2015 £m
Current receivables (note 16)	59,985	24,572
Non-current receivables	9	5
Non-current amounts owed by affiliates	-	70
Available-for-sale financial investments (note 22)	9	15
Cash and cash equivalents including restricted funds	180	476
Excluded		
Non-financial other receivables	(2)	(2)
Prepayments	(9)	(37)
	60,172	25,099

Prepayments and certain items included within other receivables are not defined as financial assets under IAS39

(b) Financial liabilities

As at 31 March 2016 and 2015, the fair values of financial liabilities are not materially different from their book values except for the fair value of the retail bond repayable in 2018 and five-year senior notes repayable in 2019 (note 9)

Classification of financial liabilities

	As at 31 March 2016			As at 31 March 2015		
	Hedging instruments £m	Amortised cost £m	Total £m	Hedging instruments £m	Amortised cost £m	Total £m
Matched principal trade payables	-	59,322	59,322	-	23,266	23,266
Deposits received for securities loaned	-	-	-	-	758	758
Other trade payables	-	10	10	-	11	11
Derivative financial instruments	20	-	20	40	-	40
Amounts owed to affiliates	-	1,301	1,301	-	1,174	1,174
Amounts owed to joint ventures	-	-	-	-	2	2
Amounts owed to associates	-	4	4	-	-	-
Amounts owed to related parties	-	1	1	-	1	1
Other payables	-	3	3	-	14	14
Contingent deferred consideration	-	4	4	-	4	4
Deferred consideration	-	-	-	-	1	1
Accruals	-	87	87	-	215	215
Borrowings and overdrafts	-	448	448	-	282	282
Provisions	-	21	21	-	32	32
	20	61,201	61,221	40	25,760	25,800

Provisions of £11m, not disclosed above, have been reclassified to held for sale (note 4)

Financial liabilities can be reconciled to the balance sheet as follows

	As at 31 March 2016 £m	As at 31 March 2015 £m
Current payables	60,183	24,784
Non-current payables	12	36
Borrowings and overdrafts (note 10)	448	282
Non-current amounts owed to affiliates	580	700
Provisions (note 14)*	21	32
Excluded		
Tax and social security	(6)	(10)
Deferred income	(17)	(24)
	61,221	25,800

* Excludes non-contractual provisions.

Taxes payable, deferred income and certain provisions are not classified as financial liabilities under IAS39

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

18. Financial assets and liabilities continued

(b) Financial liabilities continued

Company

Financial assets and liabilities

The Company's financial assets and liabilities are analysed as below

	As at 31 March 2016				As at 31 March 2015			
	Derivative £m	Available for sale £m	Loans and receivables £m	Total £m	Derivative £m	Available for sale £m	Loans and receivables £m	Total £m
Financial assets								
Cash and cash equivalents	-	-	11	11	-	-	43	43
Available for sale investments	-	2	-	2	-	-	-	-
Amounts owed by Group companies	-	-	356	356	-	-	359	359
Derivative financial instruments	3	-	-	3	7	-	-	7
Other receivables	-	-	32	32	-	-	35	35
Total	3	2	399	404	7	-	437	444

	As at 31 March 2016			As at 31 March 2015		
	Derivative £m	Amortised cost £m	Total £m	Derivative £m	Amortised cost £m	Total £m
Financial liabilities						
Borrowings	-	448	448	-	252	252
Accruals	-	12	12	-	6	6
Derivative financial instruments	20	-	20	40	-	40
Amounts owed to Group companies	-	1,780	1,780	-	3,077	3,077
	20	2,240	2,260	40	3,335	3,375

Group tax receivable is not considered to be a financial asset

The fair value of the financial assets and liabilities is not materially different from their book values

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

19. Principal subsidiaries

An entity is regarded as a subsidiary if the Company has control over its strategic, operating and financial policies and intends to hold the investment on a long-term basis for the purpose of securing a contribution to the Group's activities.

The Company recognises investments in subsidiaries initially at fair value, and subsequent changes in value as a result of impairment are recognised in the income statement.

	As at 31 March 2016 £m	As at 31 March 2015 £m
As at 1 April	4,937	3,682
Additions	7	1,972
Return of capital in relation to restructuring	(69)	(699)
Impairment	(469)	(18)
As at 31 March	4,406	4,937

Additions relate to the re-alignment of the legal entity structure which involved a transfer of investments within the IGHP group. This resulted in a fair value uplift of £7m (2014/15 - £1,972m) and return of capital in relation to restructuring of £69m (2014/15 - £699m) in IGHP's overall investment in subsidiaries. During the year, an impairment charge of £469m (2014/15 - £18m) was recorded in the Company's income statement. These impairments mainly relate to the restructuring of the Group's subsidiaries in line with its operating segments.

All of the Company's other subsidiaries are indirectly owned. The exemption under section 410 of the Companies Act 2006 to show only the principal subsidiaries has ceased for accounts signed on or after 1 July 2015. A complete list of subsidiaries, joint ventures and associates is given in note 30. The Company's principal subsidiaries, their country of incorporation and the Group's ownership are listed below.

		% held
England	EBS Dealing Resources International Limited	100
	ICAP Energy Limited*	100
	ICAP Europe Limited*	100
	ICAP Global Derivatives Limited*	100
	ICAP Management Services Limited*	100
	ICAP Securities Limited*	100
	iSwap Limited*	50.1
Japan	ICAP Totan Securities Co Ltd*	60
Singapore	Reset Private Limited	100
Sweden	TnOptima AB	100
Switzerland	EBS Service Company Limited	100
United States	BrokerTec Americas LLC	100
	EBS Dealing Resources Inc.	100
	ICAP Capital Markets LLC	100
	ICAP Corporates LLC*	100
	ICAP Energy LLC*	100
	ICAP Securities USA LLC*	100
	ICAP Services North America LLC*	100
	Traiana Inc.	86.7

* These subsidiaries are included within discontinued operations.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

19. Principal subsidiaries continued

The percentage held represents the percentage of issued ordinary share capital held (all classes) and also represents the voting rights of the Company. The Group has an economic interest of 40.2% in iSwap Limited but the investment is classed as a subsidiary because the Group is the largest single shareholder (next largest economic interest is 13.3%). The Group also employs the key management personnel of iSwap Limited.

All companies operate in their country of incorporation: ICAP Energy Limited, ICAP Europe Limited, ICAP Securities Limited, EBS Dealing Resources International Limited, ICAP Securities USA LLC, ICAP Corporates LLC and BrokerTec Americas LLC also operate from branches outside the countries of incorporation. All subsidiaries are involved in Electronic Markets, Post Trade Risk and Information or Global Broking activities.

UK subsidiaries exempt from audit requirements

The following UK subsidiaries of the Company have taken advantage of the exemption allowed from the requirements for the audit of their individual accounts for the year ended 31 March 2016 under section 479A to section 479C of the Companies Act 2006. The exemption is on the basis of the Company providing a guarantee of those companies' liabilities as at 31 March 2016.

	Registered number	Liabilities as at 31 March 2016 under guarantee or as guaranteed £
ICAP Shipping International Limited	06173794	63,028,140
ICAP Shipping Limited	02062368	20,032,656
ICAP Shipping Tankers Limited	02774629	3,086,579
Midhurst Chartering Limited	07817554	347,517
Capital Shipbrokers LLP	OC318682	172,734
ICAP US Investment Company	06524710	10
Godsell Astley & Pearce (Holdings) Limited	01438662	-

*Total liabilities guaranteed of £86,667,636 includes £85,573,228 due to other subsidiaries of ICAP plc (the ultimate parent of IGHP and its subsidiaries) and £1,094,408 due to third parties outside the ICAP plc Group (ICAP plc and its subsidiaries). The above liabilities guaranteed are included in the guarantees made by the Company as disclosed in note 15.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

20. Investment in joint ventures

Investments in joint ventures are recognised using the equity method. Under this method, such investments are initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post acquisition change in the Group's share of net assets.

Investments in joint ventures are reviewed for indicators of impairment under IAS 39 'Financial Instruments: Recognition and Measurement'. Whenever application of IAS 39 indicates that an investment may be impaired, the carrying amount of the investment, including attributed goodwill, is tested for impairment as a single asset under IAS 36, by comparing the carrying amount with its recoverable amount (the higher of VIU and fair value less costs to sale).

The Group adopted IFRS 11 'Joint Arrangements' and IAS 28 'Investments in Associates and Joint Ventures' for the financial year beginning 1 April 2014. Previously, the Group proportionally consolidated the joint ventures' results and position of its joint ventures under IAS 31. The Group determined that as a result of the adoptions of IFRS 11 and IAS 28 the joint ventures' results will not be proportionately consolidated in the Group financial statements but will be treated under the equity accounting method.

Movements in investments in joint ventures

	2015/16 £m	2014/15 £m
As at 1 April	8	6
Share of profit for the year	3	3
Dividends received	-	(1)
Exchange adjustments	(1)	-
Transfer to held for sale (note 4)	(9)	-
As at 31 March	1	8

Summary financial information of joint ventures

The Group's share of joint ventures' assets, liabilities and profit is given below.

	As at 31 March 2016 £m	As at 31 March 2015 £m
Assets	19	11
Liabilities	5	(3)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Revenue	16	9
Operating expenses	(12)	(5)
Profit before tax	4	4
Tax	(1)	(1)
Share of profit of joint ventures after tax	3	3
Attributable to		
Continuing operations	-	-
Discontinued operations	3	3

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

20. Investment in joint ventures continued

Joint ventures – Group

The Group's joint ventures and their country of incorporation are listed below

		% held	Principal activity
Mexico	SIF ICAP S.A. de C.V.*	50.0	Broking
United States	TFS-ICAP LLC	23.0	Broking

* This joint venture is included in held for sale assets.

All joint ventures have a 31 December year end. The difference in the joint ventures' year ends to the Group's year end is not considered to have a material impact on their results.

21. Investment in associates

Investments in associates are recognised using the equity method. Under this method, such investments are initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post acquisition change in the Group's share of net assets.

Investments in associates are reviewed for indicators of impairment under IAS39 'Financial Instruments: Recognition and Measurement'. Whenever application of IAS39 indicates that an investment may be impaired, the carrying amount of the investment, including attributed goodwill, is tested for impairment as a single asset under IAS36, by comparing the carrying amount with its recoverable amount (higher of VIU and fair value less costs to sell).

Movements in interests in associates

	2015/16 £m	2014/15 £m
As at 1 April	61	68
Additions	37	1
Transfer from available-for-sale investment	1	-
Share of profit for the year	1	3
Dividends received	(5)	(4)
Other movements	11	-
Impairment	(25)	(8)
Exchange adjustments	3	1
Transfer to held for sale (note 4)	(39)	-
As at 31 March	45	61

Additions

During the year the Group invested £17m in acquiring new associates and increasing its stake in existing associates. New PTRI investments include £7m in Abide Financial Limited and £7m in AcadiaSoft, Inc. The Group also invested £3m to increase its stake in Duco Technology Limited, an existing PTRI associate. The remaining additions are mainly driven by the recognition of a £20m investment in Howe Robinson Partners Pte Ltd representing fair value of a 35% stake on 1 April 2015.

Impairment charges

During the year following the identification of impairment indicators under IAS39, impairment reviews were performed in our investments, resulting in impairment charges of £10m in BSN Holdings Limited, £14m in Howe Robinson Partners Pte Ltd and £1m in Capital Shipbrokers Limited.

Other

Other includes £11m investment in ENSO LP on 1 October 2014. The Group's investment in associates at 31 March 2015 did not include the additional investment with an equal and opposite error in the Group's translation reserve at 31 March 2015. This has been corrected in the current period.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

21. Investment in associates continued

Summary financial information for associates

The Group's share of associates' assets (excluding goodwill), liabilities and profit is given below

	As at 31 March 2016 £m	As at 31 March 2015 £m
Assets	61	60
Liabilities	(15)	(25)
	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Revenue	63	38
Operating expenses	(60)	(33)
Profit before tax	3	5
Tax	(2)	(2)
Share of profit of associates after tax	1	3
Attributable to:		
Continuing operations	(3)	(2)
Discontinued operations	4	5

The Group's associates and their country of incorporation are listed below

		% held	Principal activity
England	BSN Capital Partners Limited	25.1	Broking
Hong Kong	Capital Shipbrokers Limited	45.0	Broking
Japan	Totan ICAP Co., Ltd*	40.0	Broking
	Central Totan Securities Co., Ltd*	20.0	Broking
Jersey	ENSOLP	42.0	PTFI
Malaysia	Amanah Butler Malaysia Sdn Bhd*	32.1	Broking
Spain	Corretaje e Información Monetaria y de Divisas SA*	21.5	Broking
Singapore	Howe Robinson Partners Pte Ltd	35.0	Broking
United States	CLS Aggregation Services LLC	42.5	PTFI
	First Brokers Securities LLC*	40.0	Broking
	OpenGamma Inc	15.4	PTFI

* These associates are included in held for sale assets.

All share holdings are in ordinary shares except for the investment in Capital Shipbrokers Limited which is a combination of voting and non-voting shares.

BSN Capital Partners Limited, CLS Aggregation Services LLC and OpenGamma Inc have 31 December year ends. The difference in these associates' year ends to the Group's year end is not considered to have a material impact on their results. All other associates have a 31 March year end.

22. Available-for-sale investments

Available-for-sale financial assets are debt and equity non-derivative financial assets and are initially recognised at fair value.

Available-for-sale investments in equity assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are subsequently recorded at cost less impairment. If there is objective evidence that an impairment loss has been incurred on such financial assets, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

All other available-for-sale financial assets are fair valued subsequently at each period end. Any subsequent changes in fair value are recognised directly in other comprehensive income. When a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative unrealised loss that had been recognised in other comprehensive income is transferred to the consolidated income statement.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

22. Available-for-sale investments continued

Impairment losses recognised in the consolidated income statement for an investment in an available-for-sale equity instrument are not reversed through the consolidated income statement. Dividends on available-for-sale equity investments are recognised in the consolidated income statement when the right to receive payment is established. When an available-for-sale financial asset is derecognised, any cumulative unrealised gain or loss recognised previously in other comprehensive income is transferred to the consolidated income statement.

These assets are generally expected to be held for the long term and are included in non-current assets. Assets such as shares or seats in exchanges, cash-related instruments, and long-term equity investments that do not qualify as associates or joint ventures, are classified as available-for-sale.

	2015/16 £m	2014/15 £m
As at 1 April	15	16
Additions	5	-
Disposals	-	(2)
Impairment	-	(1)
Revaluation in the year recognised in other comprehensive income	-	1
Transfer to associates	(1)	-
Exchange adjustments	1	1
Transfer to held for sale (note 4)	(11)	-
As at 31 March	9	15

Additions of £5m include £2.5m of additional investment in DTCC common stock, £1m investment in Cloud9 Technologies LLC, £0.8m additional investment in Exotix Partners LLP and £0.7m investment in Digital Asset Holdings LLC.

The disclosure below does not include available-for-sale investments which have been transferred to held for sale (note 4).

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Non-current available-for-sale investments		
Held at fair value	1	1
Held at cost less impairment	8	14
Total	9	15

The fair value of £1m (2014/15 - £1m) was determined using level 1 inputs being the quoted prices of the equity instruments.

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Listed securities		
Equities listed in the US	1	1
Total listed securities	1	1
Unlisted securities		
Equity investments	4	14
Other	4	-
Total unlisted securities	8	14
Total available-for-sale investments	9	15

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

22. Available-for-sale investments continued

Available-for-sale investments are denominated in the following currencies

Group	Pound sterling £m	Dollar £m	Euro £m	Yen £m	Other currencies £m	Total £m
As at 31 March 2016	7	2	-	-	-	9
As at 31 March 2015	7	2	-	4	2	15

23. Property and equipment

Property and equipment is recognised initially at cost including the original purchase price of the asset and the costs attributable to bringing the asset into its intended use. Property and equipment is subsequently presented at initial cost less accumulated depreciation and any provisions for impairment in its value. It is depreciated on a straight-line basis over its expected useful economic life as follows:

Short leasehold property improvements	Period of lease
Furniture, fixtures and equipment	3 – 5 years

The Group reviews its depreciation rates regularly to take account of any changes in circumstances. These rates are determined on consideration of factors such as the expected rate of technological development and anticipated usage levels.

When a leasehold property becomes surplus to the Group's foreseeable business requirements, a provision is made on a discounted basis for the expected future net cost of the property.

Group	2015/16			2014/15		
	Short leasehold property improvements £m	Furniture, fixtures and equipment £m	Total £m	Short leasehold property improvements £m	Furniture, fixtures and equipment £m	Total £m
Cost						
As at 1 April	40	74	114	41	93	134
Additions	2	15	17	-	8	8
Disposals	(1)	(20)	(21)	(6)	(33)	(39)
Reclassification	-	-	-	3	(3)	-
Exchange adjustments	1	3	4	2	9	11
Transfer to held for sale (note 4)	(41)	(21)	(62)	-	-	-
As at 31 March	1	51	52	40	74	114
Accumulated depreciation						
As at 1 April	28	54	82	29	69	98
Charge for the year	3	8	11	3	10	13
Disposals	(1)	(20)	(21)	(6)	(33)	(39)
Reclassifications	-	(2)	(2)	-	-	-
Exchange adjustments	2	2	4	2	8	10
Transfer to held for sale (note 4)	(32)	(20)	(52)	-	-	-
As at 31 March	-	22	22	28	54	82
Net book value						
As at 31 March	1	29	30	12	20	32

Additions during the year include assets under construction that are expected to become available for use of £5m (2014/15 – £4m).

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

24. Share capital

Ordinary shares are recognised in equity as share capital at their nominal value. The difference between consideration received and the nominal value is recognised in the share premium account.

(a) Issued share capital

	2015/16		2014/15	
	Number of shares millions	Nominal value £m	Number of shares millions	Nominal value £m
Allotted, called up and fully paid				
As at 1 April 2015 and at 31 March 2016	233	233	233	233

As at 31 March 2016 and 2015 there were 233,478,001 shares in issue.

25. Reserves

(a) Analysis of consolidated other reserves

Group	Merger reserve £m	Hedging reserve £m	Revaluation reserve £m	Total other reserves £m
As at 1 April 2015	259	(6)	47	300
Unrealised loss in the year	-	(3)	-	(3)
As at 31 March 2016	259	(9)	47	297

Group	Merger reserve £m	Hedging reserve £m	Revaluation reserve £m	Total other reserves £m
As at 1 April 2014	259	2	46	307
Unrealised (loss)/ gain in the year	-	(8)	1	(7)
As at 31 March 2015	259	(6)	47	300

(b) Company reserves

The Company has retained earnings of £2,527m of which £1,234m is not distributable.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

26. Currency risk management

The Group uses various financial instruments as hedges to reduce exposure to FX and interest rate movements. These can include forward FX contracts, currency options and cross-currency swaps. All derivative financial instruments are initially recognised on the balance sheet at their fair value, adjusted for transaction costs. Where derivative financial instruments do not qualify for hedge accounting, changes in the fair value are recognised immediately in the consolidated income statement, along with transaction costs. Where they do qualify, gains and losses are recognised according to the nature of the hedge relationship and the item being hedged. Hedges are either classified as fair value hedges, cash flow hedges or net investment hedges.

The fair values of the Group's derivative financial instruments are determined using appropriate valuation techniques from observable data, including discounted cash flow analysis, as no active markets with quoted prices exist for the instruments held by the Group.

The method of recognising the movements in the fair value of a derivative depends on whether the instrument has been designated as a hedging instrument and, if so, the nature of the exposure being hedged. To qualify for hedge accounting, the terms of the hedge must be documented clearly at inception and there must be an expectation that the derivative will be highly effective in offsetting changes in the fair value or cash flows attributable to the hedged risk. Hedge effectiveness is tested throughout the life of the hedge and, if at any point it is concluded that the relationship can no longer be expected to remain highly effective in achieving its objective, the accounting for the hedge relationship is terminated.

Fair value hedges: derivative financial instruments are classified as fair value hedges when they hedge an exposure to changes in the fair value of a recognised asset or liability that is attributable to a particular risk that could affect the consolidated income statement. The hedging instrument is recorded at fair value on the balance sheet, with changes in its fair value being taken through the consolidated income statement. For periods in which the hedge is shown to be effective, the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognised in the consolidated income statement. The gain or loss relating to the ineffective portion is recognised in the consolidated income statement.

Cash flow hedges: derivative financial instruments are classified as cash flow hedges when they hedge the Group's exposure to changes in the cash flows attributable to a particular asset or liability or a highly probable forecast transaction. Gains or losses on designated cash flow hedges are recognised directly in other comprehensive income, to the extent that they are determined to be effective. Any remaining ineffective portion of the gain or loss is recognised immediately in the consolidated income statement. On recognition of the hedged asset or liability, any gains or losses relating to the hedging instrument that had previously been recognised directly in other comprehensive income are included in the initial measurement of the fair value of the asset or liability. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss in equity remains there and is recognised in the consolidated income statement when the forecast transaction is ultimately recognised. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is transferred immediately to the consolidated income statement.

Net investment hedges: changes in the value of foreign-denominated investments due to currency movements are recognised directly in other comprehensive income. The accounting treatment for a net investment hedging instrument, whether it is a derivative financial instrument or a recognised asset or liability on the balance sheet, is consistent with the aforementioned treatment for a cash flow hedge. Gains and losses accumulated in other comprehensive income are included in the consolidated income statement on the ultimate disposal of the foreign-denominated investment. The gain or loss relating to any ineffective portion is recognised in the consolidated income statement.

Group

The Group presents its consolidated financial statements in pounds sterling and conducts business in a number of other currencies, principally the dollar and euro. Consequently the Group (both continuing and discontinued operations) is exposed to FX risk due to exchange rate movements which affect the Group's transactional revenue and the translation of the earnings and net assets of its non-pound sterling operations.

(a) Transactional exposures

The Group's policy is for all subsidiaries to hedge their material non-functional currency transactional exposures through a combination of forward FX contracts and options for up to two years forward. Under this policy, a minimum of 75% of the forecast exposures are hedged for the first six months, 50% for the following six months and 25% for the next six months. The majority of these exposures relate to dollar and euro sales arising in pound sterling functional currency companies.

The Group has contracts in place, designated as cash flow hedges under IAS39 where appropriate, with a total notional value of 63% of its forecast dollar and 50% of its forecast euro transactional exposures for the year to 31 March 2017. These contracts are at average rates of \$1.5275/£ and €1.3479/£ respectively.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

26. Currency risk management continued

Group continued

(b) Balance sheet translational exposures

The Group is exposed to balance sheet translational exposures at the local entity level where the local consolidated balance sheet may contain monetary assets or liabilities denominated in a currency other than the entity's functional currency. Where material it is the Group's policy to hedge 100% of these exposures using a mix of foreign currency swaps and forward FX contracts.

Balance sheet translational exposures also arise on consolidation as a result of the retranslation of the balance sheet of the Group's non-pound sterling operations, principally dollar and euro, into pounds sterling, the Group's presentational currency. The Group's general policy is not to actively manage these exposures as active management using instruments with a shorter tenure than the underlying net asset can give rise to a net cash outflow. However, from time to time it will use forward FX contracts, cross-currency swaps or non-pound sterling denominated borrowings to mitigate these exposures. As at 31 March 2016 the Group has \$235m of forward FX contracts and €100m of the 2019 five-year senior notes, designated as hedging instruments against the underlying dollar and euro exposures respectively. As at 31 March 2016 these exposures were \$1.4bn (2014/15 – \$1.5bn) and €0.1bn (2014/15 – €0.1bn) including intangible assets arising on consolidation, but before \$0.2bn (2014/15 – \$0.2bn) and €0.1bn (2014/15 – €0.1bn) of hedging.

The table below shows the actual impact on the Group's equity of movements in the dollar and euro exchange rates in terms of transactional and translational exposures. The table below also discloses the anticipated impact on the Group's equity of a 10 cent weakening, which the Group considers to be an appropriate sensitivity measure, in the dollar and euro in terms of transactional and translational exposure.

	2015/16			2014/15		
	Dollar £m	Euro £m	Total £m	Dollar £m	Euro £m	Total £m
Actual impact	40	(9)	31	83	(10)	73
10 cent weakening	(64)	(8)	(72)	(62)	(7)	(69)

(c) Derivative financial instruments

Among other methods, the Group uses derivative financial instruments to implement its FX policy. These include the use of forward FX contracts to hedge a portion of its transactional dollar and euro exposures and cross-currency interest rate swaps to hedge the FX and interest rate risks on its senior notes. Where these are designated and documented as cash flow hedges in the context of IAS39 and are demonstrated to be effective, mark-to-market gains and losses are recognised directly in other comprehensive income and transferred to the consolidated income statement on derecognition of the underlying item being hedged. The table below presents the carrying value of the Group's derivative financial instruments.

	As at 31 March 2016		As at 31 March 2015	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Forward FX contracts – cash flow hedges	3	(12)	7	(12)
Cross-currency swaps – cash flow hedges	-	(8)	-	(28)
	3	(20)	7	(40)

No amounts (2014/15 – £nil) were recognised in the consolidated income statement in the year as a result of ineffective hedges.

Fair value hierarchy for the derivative financial instruments

	As at 31 March 2016			As at 31 March 2015		
	Level 1 £m	Level 2 £m	Level 3 £m	Level 1 £m	Level 2 £m	Level 3 £m
Derivative assets	-	3	-	-	7	-
Derivative liabilities	-	(20)	-	-	(40)	-

In deriving fair value of all derivative instruments as at 31 March 2016, valuation models were used which incorporated observable market data. There were no significant inputs used in the models that were unobservable.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

26. Currency risk management continued

Company

(d) Balance sheet translational exposures

The Company is exposed to balance sheet translational exposures where the balance sheet contains financial assets or liabilities denominated in a currency other than pounds sterling. While it is the Group's policy to hedge 100% of these exposures at Group level, at Company level these exposures can affect the Company's profit after tax.

27. Related party transactions

Parent company

The Company's immediate and ultimate parent is ICAP plc, which heads the largest group of companies of which the Company is a member that prepares consolidated financial statements in accordance with IFRS. Copies of the consolidated financial statements of ICAP plc can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR or from the ICAP website at www.icap.com. The Company heads the smallest group of companies which produce consolidated financial statements.

Group

Related party transactions

	Year ended 31 March 2016		Year ended 31 March 2015	
	Interest charges £m	Management services (received)/ provided £m	Interest charges £m	Management services (received)/ provided £m
Parent company	– (3)	– –	(7)	–
Affiliate companies	(13)	(7)	(17)	(6)

The IGHP Group had the following receivable/(payable) balances with related parties who are members of the ICAP plc Group:

	As at 31 March 2016 £m	As at 31 March 2015 £m
Parent company	231	158
Affiliate companies	(1,005)	(1,039)
	(774)	(881)

The majority of the Group's UK companies are party to a netting agreement. All balances are unsecured.

Related party transactions – other

(a) Exotix Holdings Limited (Exotix)

As part of the disposal of Exotix to IPGL (a company controlled by Michael Spencer, the Group Chief Executive Officer) in 2007, the Group loaned employees of Exotix Limited, a subsidiary of Exotix, £1.5m to enable them to purchase a shareholding. The Group collected revenue of £15,225,771 (2014/15 – £8,439,804) on behalf of Exotix. As at 31 March 2016, there was a balance due to Exotix from the Group of £1,473,580 (2014/15 – £10,169,250). The Group holds £1.9m (2014/15 – £1.9m) as collateral from Exotix on deposit.

(b) TFS-ICAP LLC, TFS-ICAP Australia, TFS-ICAP Japan, TFS-ICAP Limited and TFS-ICAP Singapore

The Group invoices and collects revenue on behalf of TFS-ICAP LLC. As at 31 March 2016 the outstanding balance from all the joint ventures to the Group was £643,290 (2014/15 – £533,494 due from the Group).

(c) BSN Capital Partners Limited (BSN)

The Group provides BSN, an associate undertaking, with office space and facility services and also has a preferred brokerage agreement with BSN. As at 31 March 2016 the outstanding balance due to the Group was £1,192,603 (2014/15 – £497,824).

(d) CLS Aggregation Services LLC (CLSAS)

The Group recharged CLSAS, an associate company, £2,908,277 (2014/15 – £4,410,083) as compensation for technical services during the year. As at 31 March 2016 the total outstanding balance due to the Group was £320,870 (2014/15 – £459,588).

Related party transactions are made on an arm's-length basis.

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

27. Related party transactions continued

Company

ICAP plc is the Group's ultimate parent company and is incorporated and domiciled in the UK.

During the year the Company entered into the following transactions with subsidiaries

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Management services expenses	38	34
Net interest from related parties	40	40

Amounts owed to the Company from subsidiaries are disclosed in note 16 and amounts owed by the Company to subsidiaries are disclosed in note 17

28. Post balance sheet events

On 13 April 2016, the Group acquired ENSO Financial Analytics (ENSO) a leading provider of a data analytics platform for hedge funds and prime brokers, from its founders (Matthew Bernard Michael Gentile and Dwaine Alleyne) and other minority stakeholders

The Group made its first investment in ENSO in June 2013 followed by a subsequent investment in October 2014 ENSO will become a subsidiary of ICAP's PTRI division The acquisition was led by Euclid Opportunities, ICAP's early-stage fintech investment incubator

ENSO provides powerful portfolio analytics to the hedge fund and asset management industry Its team of prime brokerage asset management, technology and data specialists delivers identifiable and measurable operational insight on counterparty credit risk, collateral management and portfolio financing and treasury functions With more than \$1bn in total assets under advisory ENSO provides operational insights and key analytics to many of the world's most successful fund managers

On 1 June 2016, the Company transferred its investment in iSwap Limited to its direct subsidiary ICAP Global Broking Holdings Limited as a capital contribution

On 8 July 2016, the Company transferred its entire interest in ICAP America Investments Limited to ICAP Global Broking Holdings Limited in connection with a global alignment of business management and legal entity governance within the ICAP Group

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

29. Group subsidiaries and related undertakings

In accordance with section 409 of the Companies Act 2006 a full list of subsidiaries, joint ventures and associated undertakings, the country of incorporation and the effective ownership percentage as at 31 March 2016, is disclosed below. All subsidiaries are included in the consolidation and all joint ventures and associated undertakings are included in the Group's financial statements using the equity method of accounting.

Subsidiaries

Unless otherwise stated the subsidiary undertakings below are wholly-owned and the share capital disclosed comprises ordinary shares or common stock (or the local equivalent thereof) which are indirectly held by the Company. These undertakings are controlled by the Group and their results are fully consolidated into the Group's financial statements.

Wholly-owned subsidiaries

Company name	Country of incorporation	Note
Altex-ATS Limited	UK	
BrokerTec Americas LLC	US	6
BrokerTec Europe Limited	UK	
BrokerTec Global Holdings Limited	UK	1
BrokerTec Holdings Inc	US	
BrokerTec Investments	UK	
Capital Shipbrokers LLP	UK	2
Capital Shipbroking Limited	UK	
EBS Dealing Resources International Limited	UK	
EBS Dealing Resources Inc.	US	
EBS Dealing Resources Japan Limited	Japan	
FBS Financial Technologies Limited	Israel	
EBS Global Facility Limited	UK	
EBS Global Holdings Limited	UK	1
EBS Group Limited	UK	
EBS Holdco Inc.	US	
EBS Investments	UK	
EBS No. 2 Limited	UK	
EBS No. 4 LLC	US	6
EBS Service Company Limited	Switzerland	
Euclid Opportunities Limited	UK	
Euclid Opportunities SA	Luxembourg	
Exco Nominees Limited	UK	

Company name	Country of incorporation	Note
Exco Noonan Pension LLC	US	6
Garban Harlow Resources Limited	UK	
Garban International	UK	
Garban-Intercapital (2001) Limited	UK	
Garban-Intercapital US Investments (Holdings) Limited	UK	
Garban-Intercapital US Investments (No. 1) Limited	UK	
Godsell Astley & Pearce (Holdings) Limited	UK	
Harlow (London) Limited	UK	
Howe Robinson Shipping (India) Private Limited	India	
ICAP America Investments Limited	UK	5
ICAP AP (Singapore) Pte. Limited	Singapore	
ICAP Broking Holdings North America LLC	US	6
ICAP Capital Markets LLC	US	6
ICAP Corporates LLC	US	6
ICAP Electronic Markets Limited	UK	5
ICAP Energy AS	Norway	
ICAP Energy Limited	UK	
ICAP Energy LLC	US	6
ICAP Energy Suisse SA	Switzerland	
ICAP Equities Asia Limited	Hong Kong	
ICAP Europe Limited	UK	
ICAP Finance Limited	UK	5
ICAP Financial Products Pte. Ltd.	Singapore	

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

29. Group subsidiaries and related undertakings continued

Wholly-owned subsidiaries continued

Company name	Country of incorporation	Note
ICAP Foreign Exchange Brokerage Limited	Republic of Korea	
ICAP Futures Holdings Inc	US	
ICAP Global Broking Holdings Limited	UK	5
ICAP Global Broking Inc	US	
ICAP Global Broking Investments	UK	
ICAP Global Derivatives Limited	UK	
ICAP Global Information Services Limited	UK	
ICAP Global Investments Inc	US	5
ICAP Holdings (Asia Pacific) Limited	UK	5
ICAP Holdings (EMEA) Limited	UK	
ICAP Holdings (Latin America) Limited	UK	
ICAP Holdings (UK) Limited	UK	
ICAP Holdings (USA) LLC	US	6
ICAP Holdings Limited	UK	5
ICAP Hyde Holdings Limited	UK	1
ICAP IEB Z Limited	UK	1 3 4
ICAP Information Services Inc.	US	
ICAP Information Services Limited	UK	
ICAP International Investments Limited	UK	
ICAP Investment Holdings Inc	US	
ICAP Investments LLC	US	6
ICAP Latin American Holdings B V	Netherlands	
ICAP Luxembourg Holdings (No. 1) S.A.R.L.	Luxembourg	
ICAP Luxembourg Holdings (No. 2) S.A.R.L.	Luxembourg	
ICAP Luxembourg Services	Gibraltar	5
ICAP Management Services Hong Kong Limited	Hong Kong	
ICAP Management Services Limited	UK	
ICAP Management Services Private Limited	Singapore	
ICAP Media LLC	US	6
ICAP Merger Company LLC	US	6
ICAP New Zealand Limited	New Zealand	
ICAP North America LLC	US	6
ICAP Post Trade Holdings Limited	UK	5

Company name	Country of incorporation	Note
ICAP Securities & Derivatives Exchange Limited	UK	
ICAP Securities (No. 1) B V	Netherlands	
ICAP Securities (No. 2) B V.	Netherlands	
ICAP Securities Hong Kong Limited	Hong Kong	
ICAP Securities Limited	UK	
ICAP Securities USA LLC	US	6
ICAP SEF (US) LLC	US	6
ICAP Services No. 1	Gibraltar	
ICAP Services No. 2	Gibraltar	
ICAP Services North America LLC	US	6
ICAP Shipping (Germany) GmbH	Germany	
ICAP Shipping (Hong Kong) Limited	Hong Kong	
ICAP Shipping (Shanghai) Co Limited	China	
ICAP Shipping Derivatives Limited	UK	1 7
ICAP Shipping International Limited	UK	5
ICAP Shipping Limited	UK	
ICAP Shipping Middle East DMCCO	United Arab Emirates	
ICAP Shipping Singapore Pte Ltd	Singapore	
ICAP Shipping Tankers Limited	UK	
ICAP Shipping Tankers Pte Limited	Singapore	
ICAP Spot USA LLC	US	6
ICAP UK Investments No. 1	UK	
ICAP UK Investments No. 2	UK	
ICAP United Inc.	US	
ICAP US Financial Services LLC	US	6 8
ICAP US Holdings No. 1 Limited	Gibraltar	
ICAP US Holdings No. 2 Limited	Gibraltar	
ICAP US Investment Company	UK	
ICAP WCLK Limited	UK	
Intellectual Property Holdings Inc.	US	
Intercapital Management Services No. 2 Limited	UK	5
Intercapital Management Services Pte Ltd	Singapore	
Intercapital Services North America LLC	US	6

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

29. Group subsidiaries and related undertakings continued

Wholly-owned subsidiaries continued

Company name	Country of incorporation	Note
Linkbrokers Derivatives LLC	US	6
Midhurst Chartering Limited	UK	
MKI Securities International, Limited	UK	1
Molten Markets Inc	US	
Nexstep HK 2 Limited	Hong Kong	
Nexstep HK 3 Limited	Hong Kong	
ReMatch Holdings Limited	UK	
ReMatch Inc.	US	
ReMatch Limited	UK	
Reset Holdings Private Limited	Singapore	
Reset Private Limited	Singapore	3, 4
The Link Asset & Securities Company (Proprietary) Limited	South Africa	
The Link Asset and Securities Company Limited	UK	
TnOptima AB	Sweden	
TnOptima Asia Pacific Pte Limited	Singapore	
TnOptima Japan K.K.	Japan	
TnOptima North America LLC	US	6
TnOptima UK Limited	UK	
Vantage Capital Holdings Ltd	British Virgin Islands	
Wrightson ICAP LLC	US	6

Subsidiaries where the effective interest is less than 100%

Company name	Country of incorporation	% ICAP ownership	Note
ICAP Colombia Holdings S.A.S	Colombia	61.1	
ICAP Philippines Inc.	Philippines	99.9	9
ICAP Totan Securities Co. Ltd	Japan	60	6
iSwap AUD NZD Pty Limited	Australia	50.1	
iSwap Euro Limited	UK	50.1	
iSwap Limited	UK	50.1	5, 10
iSwap US Inc	US	50.1	
Pronous Asset Management LLC	US	70	6
PT ICAP Indonesia	Indonesia	85	
Traiana Limited	UK	86.7	
Traiana Technologies Limited	Israel	86.7	
Traiana, Inc.	US	86.7	4

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

29. Group subsidiaries and related undertakings continued

Related undertakings

Associated undertakings

Unless otherwise stated the share capital disclosed comprises ordinary shares or common stock (or the local equivalent thereof) which are indirectly held by the Company. The ownership percentage is provided for each associated undertaking.

Company name	Country of incorporation	% IGHIP ownership	Note
Abide Financial Limited	UK	30.0	11, 12
AcadiaSoft Inc.	US	25.0	13
Amanah Butler Malaysia Sdn Bhd	Malaysia	32.1	
Automated Confirmation Service Limited	UK	30.3	
BSN Capital Partners Limited	UK	25.1	
BSN Capital Partners LLC	US	25.1	6
BSN Holdings Limited	Cayman Islands	25.1	4, 5
Capital Shipbrokers Limited	Hong Kong	50.0	14
Central Totan Securities Co. Ltd.	Japan	20.0	
CLS Aggregation Services LLC	US	42.5	6
Corretaje e Información Monetaria y de Divisas	Spain	21.5	4
Datos Técnicos S.A.	Peru	25.0	
Duco Technology Limited	UK	40.7	15
Enso Financial Management LLP	US	20.0	2
Enso LP	Jersey	42.0	2, 16
Exotix Holdings Limited	UK	21.8	
Exotix Investment Partners LLP	UK	20.5	2, 5
First Brokers Securities LLC	US	40.0	6, 17

Company name	Country of incorporation	% IGHIP ownership	Note
Howe Robinson Partners (Gibraltar) Limited	Gibraltar	35.0	
Howe Robinson Partners (UK) Limited	UK	35.0	
Howe Robinson Partners Pte Ltd	Singapore	35.0	5
ICAP Bio Organic S de RL de CV	Mexico	25.0	2
OpenGamma Inc.	US	15.4	18
Plataforma Mexicana de Carbono S de RL de CV	Mexico	50.0	2
SIF Agro S.A. de CV	Mexico	50.0	
SIF ICAP Chile Holdings Ltda	Chile	50.0	2
SIF ICAP Chile SpA	Chile	30.0	
SIF ICAP Derivados S.A. de CV	Mexico	50.0	19
SIF ICAP Servicios S.A. de CV	Mexico	50.0	20
Totan ICAP Co. Ltd	Japan	40.0	

ICAP GROUP HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

29. Group subsidiaries and related undertakings continued

Related undertakings continued

Joint ventures

The ownership percentage is provided for each joint venture. These undertakings are indirectly held by the Company

Company name	Country of incorporation	% IGRIP ownership	Note
BCIE-ICAP Capital Markets S.A. de C.V.	Mexico	50.0	1
Patshare Limited	UK	50.0	
SIF-ICAP S.A. de C.V.	Mexico	50.0	
SET-ICAP FX S.A.	Colombia	36.1	
SET-ICAP Securities S.A.	Colombia	32.5	
TFS-ICAP Holdings LLC	US	45.0	
TFS-ICAP LLC	US	23.0	

Notes

1. In liquidation as at 31 March 2016
2. Partnership interest
3. A ordinary shares or A ordinary common stock
4. B ordinary shares or B ordinary common stock
5. Directly held by ICAP plc
6. Membership interest
7. Ordinary shares and junior redeemable non-cumulative preference shares
8. A common shares, B common shares and series B preferred shares
9. A ordinary shares (99.9%)
10. B ordinary shares and A2 shares
11. D ordinary shares
12. E ordinary shares
13. Series B convertible preferred stock (11.1%) and series D convertible preferred stock (37.4%)
14. A ordinary shares (50%) and B ordinary shares (45%)
15. A ordinary shares (96.9%)
16. Class A units (8.7%) and class B units (15.2%)
17. Class B units
18. Series C preferred stock (66.2%)
19. Series I ordinary shares and series II ordinary shares
20. Series IB shares

ICAP GROUP HOLDINGS PLC

OTHER INFORMATION

Definitions and glossary

CCP

central counterparty

CDS

credit default swaps

CGU

cash generating unit

Companies Act

Companies Act 2006 (as amended)

Company or ICAP

ICAP plc (formerly Garban-Intercapital plc and Garban plc)

CRD

Capital Requirements Directive

dollar or \$

unless otherwise specified all references to dollars or \$ dollar symbol are to the currency of the US

EPS

earnings per share

EU

European Union

FCA

Financial Conduct Authority

FCC

Fixed Income Clearing Corporation

Fitch

Fitch Ratings Limited

FX

foreign exchange

Garban

Garban plc

GDP

gross domestic product

GFC

Group Finance Committee

Group

the Company and its subsidiary undertakings

IAS

International Accounting Standards

IASB

International Accounting Standards Body

ICAAP

internal capital adequacy assessment process

ICAP shares

ICAP plc ordinary shares of 10p each

IFRS

International Financial Reporting Standards

IGBB

ICAP's global hybrid voice broking and information business, including ICAP's associated technology and broking platforms (including i-Swap and Fusion) and certain of ICAP's joint ventures and associates

IIS

ICAP Information Services

IPGL

IPGL (Holdings) Limited

ISDA

International Swaps and Derivatives Association

Libor

London interbank offered rate

MIFID

Markets in Financial Instruments Directive

Moody's

Moody's Investors Services

Newco

ICAP Newco plc, a public limited company incorporated in England and Wales with registered number 10013770, whose registered office is at 2 Broadgate, London EC2M 7UR

NSCC

National Securities Clearing Corporation

OTC

over-the-counter markets in which instruments are traded directly between participants by telephone and/or electronically rather than via an exchange

PTRI

Post Trade Risk and Information

PwC

PricewaterhouseCoopers LLP

RCF

revolving credit facility

Reset

Reset Holdings Private Limited and its subsidiaries

SEF

swap execution facility

SPA

Agreement for the sale and purchase of the share capital of ICAP Global Broking Holdings Ltd dated 11 November 2015

Tibor

Tokyo interbank offered rate

ICAP GROUP HOLDINGS PLC

Definitions and glossary continued

TP ICAP

Enlarged Tullett Prebon on completion of the Transaction

Traiana

Traiana, Inc. and its subsidiaries

Transaction

the proposed disposal of IGBB by the ICAP plc Group to Tullett Prebon as set out in the circular and explanatory statement issued to shareholders of ICAP plc on 1 March 2016

Treasury Shares

shares as defined by the Companies Acquisition of Own Shares (Treasury Shares) Regulations 2003 which came into force on 1 December 2003

TriOptima

TrnOptima AB and its subsidiaries

Tullett Prebon

Tullett Prebon plc, a company registered in England and Wales with registered number 05807599 whose registered office is at Tower 42, Level 37, 25 Old Broad Street London EC2N 1HQ