Registration Number: 06211806

Jane Street

REPORTS AND FINANCIAL STATEMENTS

Jane Street Financial Limited

Year Ended 31 December 2015

Jane Street Financial Limited

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Jane Street Financial Limited

Company Information

Year Ended 31 December 2015

Directors	D M Galkowski R A Granieri B Grundmann J S Mackenzie
Company secretary	D O Lawrie
Registered office	20 Fenchurch Street London EC3M 3BY
Company number	06211806
FCA firm number	486546
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

The Directors present their strategic report prepared in accordance with the provisions of section 414C of the Companies Act 2006 for the year ended 31 December 2015.

Introduction and summary of principal activities

Jane Street Financial Limited ("the Company") is a wholly-owned and controlled subsidiary of the ultimate parent of the Jane Street Group ("the Group" or "Group"), Jane Street Group, LLC ("the Parent" or "JSG").

The Company operates in three business sectors. The first business sector is to carry on principal trading activities in financial instruments. The second business sector the Company operates in is the provision of agency trading services to other companies in the Group for which it is compensated in accordance with the trading services agreement and group transfer pricing arrangements. The Company charged Jane Street International Trading Limited ("JSIT") for the amounts due under the transfer pricing agreement. The third business sector is to serve as the investment manager for Jane Street Asia Capital Ltd ("JSAC"), an affiliate entity, through its position as a Foreign Portfolio Investor ("FPI"), for which it is compensated by JSAC in the form of a management and performance fee (see note 2).

The Company is headquartered in London, undertakes all business activities from this location and does not operate through branches in other jurisdictions. The Company is a member of, and market maker on, the London Stock Exchange Plc.

Business Review

The profit for the year was $32,688,457 a 127% increase from the profit of $14,373,063 for the year ended 31 December 2014. Though there was a decline in its principal trading business, the Company has seen an increase in activity and revenues in agency trading. This has generated the positive results for the year.

The table below sets out the key results and performance indicators for the year.

	Year ended 2015 $000	**Year ended 2014 $000**
Revenues	88,545	60,111
Profit for the financial year	32,688	14,373
Total shareholder's funds	214,034	181,346
Operating profit margin	41%	27%
Return on capital employed	17%	9%

Return on capital employed is calculated by dividing net operating profit by net current assets plus intangibles. The statutory profit and loss account is provided on page 9.

The Directors anticipate no significant changes to the Company's business model in the foreseeable future and the Company will continue deploying its resources in furtherance of the Group's objectives.

As at the date of this report, the Directors are not aware of any matter or circumstance which has arisen that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 December 2015 not otherwise disclosed in this report.

Risks and uncertainties

Risks associated with the business are managed according to a common set of principals applied across the Group. These serve to mitigate the risks to which the Company is exposed, as described in further detail in note 15.

Considering the effectiveness of these risk management approaches, the financial position and performance of the Company as well as the economic environment, the Directors reasonably consider that there are adequate capital and liquidity resources for the Company to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to recommend that the accounts be prepared on a going concern basis.

Approved by the Board of Directors on 22 April 2016 and signed on its behalf by:

....

R A Granieri
Director

The Directors present their report and the financial statements for the year ended 31 December 2015.

Directors of the Company

The Directors who held office during the year were as follows:
G M Bowen (appointed 20 October 2014; resigned 21 August 2015)
D M Galkowski
R A Granieri
B Grundmann
J S Mackenzie

Subsequent events

The promissory note from the Parent was amended and restated, increasing the principal from $60,000,000 to $85,000,000, on 14 January 2016 (see note 22).

Dividends

The Directors do not recommend the payment of any dividend for the year ended 31 December 2015 (2014: $nil).

Directors' indemnities

In 2015 the Company did not provide third party indemnity insurance for the benefit of Directors.

Employer policy

All individuals whose time is allocated to the Company, either partially or wholly, are employees of Jane Street Europe Limited ("JSE") which maintains all employer policies. Refer to the Financial Statements of JSE for additional details.

Pillar 3 disclosures

The Company's most recent Pillar 3 disclosures can be accessed on the internet at the following address http://www.janestreet.com/bojnirud/disclosures.pdf. When prompted, the password is 'piii_jsf'.

Auditors

Each Director has taken steps that he 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 auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and for which they know the auditor is unaware.

Ernst & Young LLP has indicated its willingness to continue in office and they are reappointed as auditor.

Approved by the Board of Directors on 22 April 2016 and signed on its behalf by:

....
R A Granieri
Director

Jane Street Financial Limited

Statement of Directors' Responsibilities

Year Ended 31 December 2015

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") (United Kingdom Accounting Standards and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF JANE STREET FINANCIAL LIMITED

We have audited the financial statements of Jane Street Financial Limited ("the Company") for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Janet Leslie (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London
26 April 2016

Jane Street Financial Limited

Statement of Comprehensive Income

Year Ended 31 December 2015

	Note	2015 $000	2014 $000
Revenues	2	88,545	60,111
Administrative expenses		(52,629)	(43,604)
Operating profit on ordinary activities before interest and taxation		35,916	16,507
Interest receivable	3	4,981	1,703
Profit on ordinary activities before taxation	4	40,897	18,210
Tax on profit on ordinary activities	5	(8,209)	(3,837)
Profit for the financial year		**32,688**	**14,373**

Revenues and operating profit are derived wholly from continuing operations.

There are no components of other comprehensive income recognized as part of total comprehensive income outside profit or loss.

The notes starting on page 13 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Financial Position

Year Ended 31 December 2015

	Note	2015 $000	Restated* 2014 $000
Fixed Assets			
Intangible assets	9	67	168
Current assets			
Debtors	10	1,181,377	1,034,159
Financial assets	12	266,896	269,784
Inventories	16	949	167
Cash at bank	19	13,718	31,856
		1,462,940	1,335,966
Creditors: amounts falling due within one year			
Creditors	11	(934,420)	(1,043,511)
Financial liabilities	13	(314,553)	(111,277)
		(1,248,973)	(1,154,788)
Net current assets		213,967	181,178
Net assets		**214,034**	**181,346**
Capital and reserves			
Called up share capital	17	142,000	142,000
Profit and loss account	18	72,034	39,346
Equity		**214,034**	**181,346**

*Restated following the transition to FRS 102 and prior year adjustments – refer to notes 1 and 23.

Approved by the Board of Directors 22 April 2016 and signed on its behalf by:

....
R A Granieri
Director

The notes starting on page 13 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Changes in Equity

Year Ended 31 December 2015

	Called up share capital $000	Profit and loss account $000	Total Equity $000
At 1 January 2014	142,000	24,973	166,973
Profit for the year	-	14,373	14,373
At 31 December 2014	**142,000**	**39,346**	**181,346**
Profit for the year	-	32,688	32,688
At 31 December 2015	**142,000**	**72,034**	**214,034**

The notes starting on page 13 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Cash Flows

Year Ended 31 December 2015

Reconciliation of operating profit to net cash flow from operating activities	**Note**	**2015 $000**	**Restated* 2014 $000**
Profit on ordinary activities before taxation		40,897	18,210
Amortization of intangible assets	9	101	101
Decrease/(increase) in financial instruments	12, 13	206,164	(136,874)
Increase in inventories	16	(782)	(167)
Increase in debtors	10	(147,218)	(215,607)
(Decrease)/increase in creditors	11	(109,091)	327,772
Net cash outflow from operating activities		(9,929)	(6,565)
Taxation			
Tax paid under Group Payment Arrangement ("GPA")	5	(8,209)	(3,838)
Decrease in cash		(18,138)	(10,403)

Reconciliation of net cash flow to movement in funds	**Note**	**2015 $000**	**2014 $000**
Decrease in cash	19	(18,138)	(10,403)
Net funds at 1 January	19	31,856	42,259
Net funds at 31 December	19	**13,718**	**31,856**

*Restated following the transition to FRS 102 and prior year adjustments – refer to notes 1 and 23.

The notes starting on page 13 form an integral part of these financial statements

1 Accounting policies

Basis of preparation
The Company is a limited liability company incorporated and domiciled in England.

The financial statements have been prepared in accordance with "FRS 102". The financial statements have been prepared on a going concern basis and under the historical cost convention, excluding securities, derivatives and other financial instruments held for trading purposes, which are fair valued in accordance with applicable standards, as defined below.

Going concern basis
The Directors present these financial statements on a going concern basis based on their assessment of the ability of the Company to continue to manage the risks described in the strategic report.

Changes in accounting policy and other adjustments
Transition to FRS 102
The Company transitioned from United Kingdom Generally Accepted Accounting Practice ("UK GAAP") to FRS 102 as at 1 January 2015. All accounting policies have been applied consistently throughout the year and to the comparative year presented in these financial statements. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 23. As a result of this transition, there was no impact on net income or the Company's equity.

Identification of non regular way trades
During 2015, it was established that certain trades which were identified as settling in a non regular way in 2014 had in fact settled regular way. This led to an understatement of Debtors, Creditors and Financial liabilities by $64,647,133, $17,820,687 and $4,951,259 respectively, and an overstatement of Financial Assets by $41,875,187. This has resulted in a prior period adjustment for these amounts. There was no impact on net income or the Company's equity.

Judgements and key sources of estimation uncertainty
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. Where an amount is estimated, it is discussed and agreed by the Directors. The Directors do not consider there to be any significant estimates in the financial statements at year end.

Functional and presentation currency
The functional currency is United States dollars ("US$") and the accounts are presented in US$.

Revenues
Revenues are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In relation to the trading services agreement and group transfer pricing arrangements, revenue is recognised and accrued through the year.

1 Accounting policies (continued)

Amounts Charged to UK affiliates and JSAC

The Company provides agency trading services to other entities in the Group for which it is compensated under the trading services agreement and group transfer pricing arrangements.

The Company serves as the investment manager for JSAC through its position as an FPI for which it is compensated by JSAC in the form of a management and performance fee.

Net Trading Income

The Company's net trading income includes movements in the fair value of financial instruments and trading profits and losses, including dividends and coupons, earned from principal trading in marketable securities.

Interest income and expense

Interest income and expense presented in the profit and loss account represents interest on other non-trading assets. Interest income and expense on all trading assets and liabilities are presented together with all other changes in fair value of trading assets and liabilities in revenues in the profit and loss account (see note 2). The interest income and expense is accounted for on an accrual basis in the profit and loss account using the effective interest method and are added to the carrying amount of the instruments to the extent that they are not settled in the period in which they arise.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset would only be recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are the differences between the Company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Pension / retirement plan costs

Contributions payable to the defined contribution retirement benefit schemes are charged to the profit and loss account in the year to which they relate. Contributions are paid on behalf of the Company by other Group entities.

1 Accounting policies (continued)

Intangible assets and amortization
Intangible assets are recorded at cost less any provisions for impairment in value. Amortization is provided on all intangible assets at the following annual rate in order to write off the cost less estimated residual value of each asset over its expected useful economic life.

Asset class	Depreciation period (straight line)
Software	Licence term where specified, else over 3 years

Management of liquid resources
The Company includes cash at bank and cash in hand as liquid resources. Cash at bank is maintained in sight deposit accounts at highly rated financial institutions.

Foreign currency
Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Transactions in foreign currencies are recorded using the daily rate on the day in which they are recorded in the Company accounts.

Non monetary assets are measured on a historic cost basis and are translated using the exchange rate at the date of the transaction. They are not subsequently revalued for foreign currency movements.

1 Accounting policies (continued)

Financial instruments

Financial instruments within the scope of FRS 102 are classified as basic financial instruments or other financial instruments not meeting the definition of basic financial instruments. At year end the Company's financial instruments comprised the following:

(i) Basic financial instruments
These include trade debtors and creditors and other short-term monetary assets and liabilities, which are initially recognized at cost and subsequently carried at amortised cost using the effective interest rate.

(ii) Other financial instruments
Trading assets and liabilities are financial instruments that the Company acquired or acquires principally for the purpose of selling or repurchasing in the near term or are held as part of a portfolio that is managed together for short-term profit making. All trading assets and liabilities are classified as held for trading purposes under International Accounting Standard ("IAS") 39 Financial Instruments: Recognition and Measurement ("IAS 39").

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the balance sheet with transaction costs taken directly to the profit and loss account. All changes in the fair value are recognised as part of revenues in the profit and loss account (see note 2). Trading assets and liabilities are not reclassified subsequent to their initial recognition.

1 Accounting policies (continued)

Fair value measurement
The Company accounts for financial instruments on a trade date basis and they are fair valued through the profit and loss account. The fair values of financial assets and financial liabilities are based on quoted market prices, consensus pricing bureaus or dealer price quotations for financial instruments traded in active markets. Where prices are not directly observable, the fair value is determined by third party valuation stochastic models where the input parameters are obtained from observable market data where available.

Fair value hierarchy
In determining the fair value of the financial instruments, the Company maximises the use of observable inputs and minimises the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The Company applies a hierarchy to categorise its fair value measurements broken down into three levels based on the transparency of inputs as follows:

Level 1	quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2	other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3	techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting
The Company only offsets financial assets and liabilities and presents the net amount in the balance sheet where it

- currently has a legally enforceable right to set off the recognised amounts, and
- intends either to settle on a net basis, or to realise the asset and liability simultaneously

1 Accounting policies (continued)

Inventories

Inventories represent physical metals held by the Company. The Company accounts for inventories on a trade date basis and they are initially recognised and subsequently measured at fair value in the balance sheet with transaction costs taken directly to the profit and loss account. All changes in the fair value are recognised as part of revenues in the profit and loss account (see note 2).

Secured financing transactions

The Company enters into secured financing transactions with brokers to obtain securities for settlement and to finance securities positions. The Company transfers title of long positions to brokers, who have full rights of rehypothecation over these assets.

Secured financing transactions are recorded as the amount of cash collateral advanced or received plus accrued interest. Securities borrowing transactions require the Company to provide the counterparty with collateral in the form of cash, or other securities.

Securities subject to secured financing transactions are not recognised on, or derecognised from, the balance sheet, unless the risk and rewards of ownership are received or relinquished.

2 Revenues

Revenues are attributable to income from movements in the fair value of financial instruments, trading profits and losses, and amounts charged to UK affiliates and JSAC, exclusive of VAT.

	2015 $000	2014 $000
Amounts charged to UK affiliates	71,343	27,047
Amounts charged to JSAC	2,826	770
Net trading income		
Principal transactions	25,475	35,975
Commissions and fees	(8,279)	(5,035)
Interest and dividends	(2,820)	1,354
	88,545	60,111

3 Interest receivable

	2015 $000	2014 $000
Interest receivable from Group entities	4,978	1,703
Other interest receivable	3	-
	4,981	1,703

4 Operating profit

Operating profit is stated after charging:

	2015 $000	2014 $000
Amortization of intangible assets (see Note 9)	101	101
Operating lease rentals - buildings*	1,585	1,402
Loss on foreign currency revaluation	10	44
Auditor's remuneration		
Audit of the financial statements	75	79
Other fees to auditor		
Audit related assurance services	3	3
Other assurance services	39	76
All taxation advisory services	55	3
Total fees to auditor	172	161

*The corresponding leases are in the name of JSE.

5 Tax on profit on ordinary activities

(a) Analysis of tax charge

	2015 $000	2014 $000
UK corporation tax charge	8,222	3,839
Prior year adjustment	15	9
Total current tax charge	8,237	3,848
Deferred tax		
Origination and reversal of timing differences	(15)	(11)
Adjustments in respect of prior periods	(13)	-
Total deferred tax charge	(28)	(11)
Total tax on profit on ordinary activities	8,209	3,837

(b) Factors affecting the tax charge for the year

Tax on profit on ordinary activities for the year is less than (2014: less than) the average standard rate of corporation tax in the UK of 20.25% (2014: 21.5%).

The differences are reconciled below:

	2015 $000	2014 $000
Profit on ordinary activities before taxation	40,897	18,210
Corporation tax at standard rate	8,280	3,914
Expenses not deductible for tax purposes	31	19
Prior year adjustment	2	-
Difference between deferred and current tax rates	1	1
Foreign exchange adjustments	(105)	(97)
Total tax	8,209	3,837

5 Tax on profit on ordinary activities (continued)

(c) Factors that may affect future tax charges

A reduction in the main rate of corporation tax to 19% from 1 April 2017 and 18% from April 2020 was substantively enacted in the Finance (No. 2) Act 2015. The Company meets the definition of a banking company in Part 7A CTA2010 and is therefore subject to the surcharge applying from 1 January 2016. The surcharge amount is equal to 8% of taxable profits in excess of £25,000,000 per year.

Deferred tax balances at 31 December 2015 are stated at a rate of 19% to reflect the periods in which the differences are expected to reverse.

The deferred tax asset comprises:

	2015	**2014**
	$000	**$000**
Timing differences between depreciation and capital allowances	18	6
Other short term timing differences	16	-
Asset as at 31 December	34	6

(d) Group payment arrangement

In 2014, the Company, along with its UK affiliates, entered into a GPA with HM Revenue & Customs, whereby JSE makes tax payments for and on behalf of the Company and JSIT. As a consequence, JSE allocates to the UK affiliates their portion of the tax expense.

6 Directors' remuneration

	2015 $000	2014 $000
Remuneration (including benefits in kind)	9,667	8,002
Company contributions to pension/retirement plans	22	18
Total Directors' remuneration	9,689	8,020

The Directors' remuneration disclosed above includes the following amounts paid to the highest compensated Director:

	2015 $000	2014 $000
Remuneration (including benefits in kind)	4,880	6,336
Total Director's remuneration	4,880	6,336

The Directors of the Company are remunerated by other entities within the Group. Directors' remuneration is allocated between Group entities on the basis of time spent by Directors for the period during which they served as Directors of the Company. The amounts allocated to the Company are as disclosed above.

The Group operates defined contribution pension schemes (retirement plans), the assets and liabilities of which are held separately from those of the Company. The costs are allocated between Group entities as previously disclosed. Of the Directors who served during the year, four (2014: five) Directors were members of the pension/retirement plans. The amounts allocated to the Company, for the Directors, was $22,273 (2014: $17,860).

Contributions are paid by other Group entities and therefore any unpaid contributions at year end are recognised in their accounts.

7 Staff costs

The average number of persons (including relevant Directors) whose time was allocated to the Company, either partially or wholly, during the year was as follows:

	2015 $000	2014 $000
Back office	58	47
Front office	33	30
Management	7	6
Total average headcount	98	83

The aggregate payroll costs were as follows:

	2015 $000	2014 $000
Salaries, allowances and benefits in kind	34,132	29,598
Social security costs	3,262	2,290
Staff pension / retirement plan costs	491	409
Total payroll costs	37,885	32,297

Staff are remunerated by other entities within the Group. Remuneration is allocated between Group entities on the basis of time spent and the amounts allocated to the Company are as disclosed above.

8 Pension (retirement plans) costs

The Group operates defined contribution pension schemes (retirement plans), the assets and liabilities of which are held separately from those of the Company. The costs are allocated between Group entities as previously disclosed. The amount charged against profit includes contributions by other Group entities on behalf of the Company of $491,437 (2014: $408,602).

Contributions are paid by other Group entities and therefore any unpaid contributions at year end are recognised in their accounts.

9 Intangible assets

	Software $000
Cost	
At 31 December 2014	454
At 31 December 2015	454
Amortization	
At 31 December 2014	286
Charge for the year	101
At 31 December 2015	387
Net book value	
At 31 December 2014	168
At 31 December 2015	67

10 Debtors

	2015 $000	Restated 2014 $000
Amounts due from brokers		
Trade debtors	28,182	11,707
Amounts awaiting settlement	1,088,287	961,196
Other debtors		
Amounts due from Group undertakings	64,874	61,105
Corporation tax recoverable	-	145
Deferred tax asset	34	6
Total debtors	1,181,377	1,034,159

No assets are past due or impaired at 31 December 2015.

11 Creditors

	2015 $000	Restated 2014 $000
Amounts due to brokers		
Trade creditors	313,641	452,397
Amounts awaiting settlement	610,982	580,885
Other creditors		
Amounts due to Group undertakings	9,568	10,120
Accruals	216	109
Corporation tax payable	13	-
Total creditors	934,420	1,043,511

12 Financial assets at fair value

	2015 $000	Restated 2014 $000
Equity instruments and exchange traded funds*	183,376	206,333
Debt securities*	81,777	63,429
Derivative financial assets	1,743	22
	266,896	269,784

*The Company is the beneficial owner of all settled long securities, but title, along with the rehypothecation rights, are held by the broker as collateral for the secured financing transactions.

No assets are past due or impaired at 31 December 2015.

13 Financial liabilities at fair value

	2015 $000	Restated 2014 $000
Equity instruments and exchange traded funds	51,454	48,777
Debt securities	261,465	62,431
Derivative financial liabilities	1,634	69
	314,553	111,277

14 Financial instruments

The tables below analyse financial instruments measured at fair value at the end of the year, by the level in the fair value hierarchy each instrument is categorized. There have been no material movements between level 1 and level 2 as of 31 December 2015 when compared to 31 December 2014. All Financial instruments are classified as held for trading purposes under IAS 39.

The Company has:

- no financial liabilities measured at fair value that are affected by changes in own credit risk
- no over-the-counter derivatives

Consequently the Company does not calculate credit or debit valuation adjustments. As such there are no changes in fair value of liabilities attributable to changes in credit risk, nor differences between the carrying amount of the liabilities and the amount to be contractually paid at maturity.

The Company does not hold any level 3 financial instruments.

14 Financial instruments (continued)

	2015 $000	Level 1 $000	Level 2 $000
Assets measured at fair value			
Equity instruments and exchange traded funds	183,376	117,145	66,231
Debt securities	81,777	35,568	46,209
Derivative financial assets	1,743	-	1,743
	266,896	152,713	114,183
Liabilities measured at fair value			
Equity instruments and exchange traded funds	51,454	41,164	10,290
Debt securities	261,465	16,560	244,905
Derivative financial liabilities	1,634	-	1,634
	314,553	57,724	256,829

	Restated 2014 $000	Level 1 $000	Level 2 $000
Assets measured at fair value			
Equity instruments and exchange traded funds	206,333	206,333	-
Debt securities	63,429	1,471	61,958
Derivative financial assets	22	18	4
	269,784	207,822	61,962
Liabilities measured at fair value			
Equity instruments and exchange traded funds	48,777	48,777	-
Debt securities	62,431	-	62,431
Derivative financial liabilities	69	-	69
	111,277	48,777	62,500

15 Financial instrument risk exposures

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices, commodity prices and foreign exchange rates.

The Company has market risk exposures both directly through its proprietary trading activities and indirectly through the trading services agreement and the group transfer pricing arrangements, whereby the revenues earned by other Group entities are subject to such risk and their resultant earnings subject to the transfer pricing methodology. These risks are managed by JSG. The Directors are satisfied that there is no probable scenario that would create a materially adverse impact on the amount of revenue received by the Company as under these agreements the Company does not bear the impact of losses arising elsewhere.

The risks that the Company is directly exposed to are discussed below.

Interest rate risk

The Company's interest rate risk arises from holdings in financial instruments, which give rise to price sensitivity with respect to interest.

The following table demonstrates the profit and loss effect of a severe but plausible change in interest rates with all other variables held constant.

	Change in Interest Rates	**Effect on profit before tax and equity**
2015		
One hundred basis point increase in interest rates	100bps	9,363
One hundred basis point decrease in interest rates	(100bps)	(9,363)

	Change in Interest Rates	**Effect on profit before tax and equity**
2014		
One hundred basis point increase in interest rates	100bps	(6,125)
One hundred basis point decrease in interest rates	(100bps)	6,125

15 Financial instrument risk exposures (continued)

Equity price risk

The Company holds equity-linked exchange traded products. At 31 December 2015, the portfolio was primarily long risk in securities which track the MSCI Emerging Market (EM) Index and long risk securities which track the MSCI Developed Market (DV) Index (2014: long MSCI EM and short MSCI DV).

The following table demonstrates the profit and loss effect of a severe but plausible change in the index with all other variables held constant.

	Change in MSCI EM Index	Effect on profit before tax and equity
2015		
Fourteen percent increase in MSCI EM Index	14%	133
Fourteen percent decrease in MSCI EM Index	(14%)	(133)

	Change in MSCI DV Index	Effect on profit before tax and equity
2015		
Ten percent increase in MSCI DV Index	10%	212
Ten percent decrease in MSCI DV Index	(10%)	(212)

	Change in MSCI EM Index	Effect on profit before tax and equity
2014		
Fourteen percent increase in MSCI EM Index	14%	408
Fourteen percent decrease in MSCI EM Index	(14%)	(408)

	Change in MSCI DV Index	Effect on profit before tax and equity
2014		
Ten percent increase in MSCI DV Index	10%	(828)
Ten percent decrease in MSCI DV Index	(10%)	828

15 Financial instrument risk exposures (continued)

Commodity price risk

The Company's commodity price risk arises from physical metals positions and positions in financial instruments, which give rise to price sensitivity with respect to changes in the values of commodities. At 31 December 2015, the portfolio was primarily long risk in commodities and commodity related instruments (2014: primarily long agriculture related instruments and short metals and energy).

The following table demonstrates the profit and loss effect of a severe but plausible change in commodity prices with all other variables held constant.

	Change in Commodity Prices	Effect on profit before tax and equity
2015		
Fifteen percent increase in commodity prices	15%	910
Fifteen percent decrease in commodity prices	(15%)	(910)

	Change in Agricultural Prices	Effect on profit before tax and equity
2014		
Fifteen percent increase in agricultural prices	15%	197
Fifteen percent decrease in agricultural prices	(15%)	(197)

	Change in Metals & Energy Prices	Effect on profit before tax and equity
2014		
Fifteen percent increase in metals and energy prices	15%	(888)
Fifteen percent decrease in metals and energy prices	(15%)	888

Physical metals inventories have been included in the effect on profit before tax and equity for changes in commodity prices as not doing so would misstate the economic risk associated with the Company's trading strategy.

15 Financial instrument risk exposures (continued)

Foreign currency risk

At 31 December 2015, the Company was short emerging market (EM) currency exposure and long developed country (DV) currency exposure (2014: long EM and DV).

The following tables demonstrate the profit and loss effect of a severe but plausible change in the foreign currency exchange rates against the US dollar with all other variables held constant.

	Change in EM vs USD	Effect on profit before tax and equity
2015		
Twelve percent increase in EM vs USD	12%	(595)
Twelve percent decrease in EM vs USD	(12%)	595

	Change in DV vs USD	Effect on profit before tax and equity
2015		
Eight percent increase in DV vs USD	8%	202
Eight percent decrease in DV vs USD	(8%)	(202)

	Change in EM vs USD	Effect on profit before tax and equity
2014		
Twelve percent increase in EM vs USD	12%	492
Twelve percent decrease in EM vs USD	(12%)	(492)

	Change in DV vs USD	Effect on profit before tax and equity
2014		
Eight percent increase in DV vs USD	8%	2,104
Eight percent decrease in DV vs USD	(8%)	(2,104)

15 Financial instrument risk exposures (continued)

Credit Risk

In many instances the Company's net position on multiple transactions with the same counterparty is legally protected by Master Netting Agreements. Such agreements ensure that the net position is settled in the event of default of either counterparty and effectively limit credit risk on gross exposures.

The Company's material credit exposures were to credit and financial institutions as per the below table.

	2015 $000
Credit rating	
AAA to AA-	10,554
A+ to BBB-	10,438
UCITS issues	2,512
Other	72,872

	2014 $000
Credit rating	
AAA to AA-	28,801
A+ to BBB-	11,634
UCITS issues	992
Other	62,076

15 Financial instrument risk exposures (continued)

Liquidity Risk

The table below summarises the maturity profile of the Company's financial liabilities at 31 December 2015 and as at 31 December 2014 based on contractual undiscounted payments.

	On demand	Due within 6 months	Total
	$000	$000	$000
2015			
Financial liabilities	-	312,919	312,919
Derivative financial liabilities	-	1,634	1,634
Amounts due to brokers	-	924,623	924,623
Amounts owed to Group entities	9,568	-	9,568
Accruals and other payables	229	-	229
	9,797	1,239,176	1,248,973

	On demand	Due within 6 months	Total
Restated	$000	$000	$000
2014			
Financial liabilities	-	111,208	111,208
Derivative financial liabilities	-	69	69
Amounts due to brokers	-	1,033,282	1,033,282
Amounts owed to Group entities	10,120	-	10,120
Accruals and other payables	109	-	109
	10,229	1,144,559	1,154,788

15 Financial instrument risk exposures (continued)

Other risk

The Company holds CIU securities. At 31 December 2015, the portfolio was primarily long risk in these securities (2014: long CIU).

The following table demonstrates the profit and loss effect of a severe but plausible change in CIU prices with all other variables held constant.

	Change in CIU Prices	Effect on profit before tax and equity
2015		
Ten percent increase in CIU prices	10%	298
Ten percent decrease in CIU prices	(10%)	(298)

	Change in CIU Prices	Effect on profit before tax and equity
2014		
Ten percent increase in CIU prices	10%	577
Ten percent decrease in CIU prices	(10%)	(577)

Additionally the Company maintains a long position in short-dated out of the money index put options. For a severe but plausible change in underlying indices, where the indices prices change +/- 10%, there is no material effect on profit before tax and equity due to the price insensitivity of the options. However, for very severe decline in underlying indices the Company could make a significant profit.

16 Inventories

	2015 $000	2014 $000
Physical metals	949	167
	949	167

17 Share capital

	2015 No. in '000's	2014 $000
Authorized		
Ordinary shares of $1.00 each	200,000	200,000

	No. in 000's	2015 $000	No. in 000's	2014 $000
Allotted, called up and fully paid				
Ordinary shares of $1.00 each	142,000	142,000	142,000	142,000

Capital management

The primary objectives of the Company's capital management policy is to ensure that the Company has sufficient resources to support the Company's existing and planned business and in doing so complies with the Financial Conduct Authorities' ("FCA") capital requirements. The Company determines its capital requirements through a comprehensive planning approach that takes account of projected business activity and after performing stress and scenario testing in accordance with internal and FCA requirements. The instruments comprising regulatory capital is periodically reviewed to ensure the efficient allocation of resources from a Company and a broader Group perspective.

The Company is subject to capital supervision by the FCA which requires a firm to hold sufficient capital to underpin the solvency requirements related to credit, market and operational risk. The Company met its regulatory obligations throughout the year.

The regulatory capital of the Company comprises the following as at year end:

	2015 $000	2014 $000
Capital and reserves	214,034	181,346
Less: Tier 1 deductions	(60,742)	(60,849)
Total regulatory capital	153,292	120,497

Total regulatory capital is comprised of Tier 1 capital, made up of share capital and audited retained earnings, less specified deductions. Audited retained earnings included 2015 retained earnings of $32,688,457 (2014: $14,373,063), which as of the date of signing of the accounts has been audited.

18 Profit and loss reserves

	Profit and loss account $000
At 1 January 2015	39,346
Profit for the year	32,688
At 31 December 2015	72,034

19 Analysis of net funds

	At 1 January 2015 $000	Cash flow $000	At 31 December 2015 $000
Cash at bank	31,856	(18,138)	13,718
	31,856	(18,138)	13,718

20 Related party transactions

An affiliate, JSE, pays for payroll, rent and certain operating expenses on behalf of the Company. JSE also paid for certain fixed assets on the Company's behalf. The total net expense allocated from JSE for the year ended 31 December 2015 is $52,706,568 (2014: $44,183,462). A portion of the amount reflected as Creditors in the Statement of Financial Position includes the unreimbursed portion of these expenses (see note 11).

Under the GPA, JSE makes tax payments for and on behalf of the Company. During the year ended 31 December 2015, JSE made payments of $8,222,146 (2014: $3,839,562) on behalf of the Company. A portion of the amount reflected as Creditors in the Statement of Financial Position includes the unreimbursed portion of these tax payments (see note 11).

The Company provides agency trading services to other companies in the Group for which it is compensated in accordance with the trading services agreement and group transfer pricing arrangements. During 2015, the Company charged JSIT $71,343,320 (2014: JSIT $11,289,363 and JSE $15,757,858) under the agreement. This amount is included in Revenues in the Statement of Comprehensive Income (see note 2). A portion of the amount reflected as Debtors in the Statement of Financial Position includes the unpaid portion of this revenue (see note 10).

20 Related party transactions (continued)

The Company charges an investment management fee to JSAC for the Company's role as an FPI. The total amount charged for the year ended 31 December 2015 is $2,825,752 (2014: $769,768). This amount is included in Revenues in the Statement of Comprehensive Income (see note 2). A portion of the amount reflected as Debtors in the Statement of Financial Position includes the unpaid portion of this revenue (see note 10).

As at 31 December 2015, the Company had an outstanding promissory note from the Parent for $60,000,000. This amount is reflected as a portion of Debtors in the Statement of Financial Position (see note 10). The Company charges interest on the outstanding principal amount of the promissory note at a commercial rate determined by the Company on the first day of each calendar month. During 2015, the Company earned $4,978,153 (2014: $1,703,963) interest related to the note. This amount is included as Interest receivable in the Statement of Comprehensive Income (see note 3). A portion of the amount reflected in Debtors in the Statement of Financial Position includes the unpaid portion of this interest (see note 10).

The Company carries out back to back trades with affiliates. These trades may involve pricing adjustments after settlement date. The pricing adjustments are paid or received by the Company from its counterparty. The Company then passes these on to the affiliates. For the year ended 31 December 2015 the total amounts owed to and from the affiliates for these adjustments were $3,075,288 and $2,997,197, respectively (2014: $660,557 and $1,567,994, respectively). A portion of these amounts was repaid during the year. The remaining amounts owed to the affiliates at 31 December 2015 are reflected as a portion of Creditors in the Statement of Financial Position (see note 11).

In addition to the foregoing, the Company, along with its affiliates, may execute intercompany securities transactions, which occur at fair value.

Total compensation of key management personnel (including the Directors) in the year amounted to $16,855,864 (2014: $15,424,570).

21 Parent company

The Company is controlled by and is a wholly owned subsidiary of JSG, an entity that was formed under the laws of the State of Delaware in the United States of America. JSG is the only Group entity producing consolidated accounts including the results of the Company.

22 Post balance sheet events

The promissory note from the Parent was amended and restated, increasing the principal sum from $60,000,000 to $85,000,000, on 14 January 2016.

23 Explanation of transition to FRS 102 from UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

As set out in the tables below, the only effect on the Company's financial position was a change in presentation of software as a result of the transition from UK GAAP to FRS 102. There was no effect on financial performance.

Reconciliation of changes:

	1 January 2014	Effect of transition		31 December 2014	Effect of transition	
	UK GAAP		FRS 102	UK GAAP		FRS 102
	$000	$000	$000	$000	$000	$000
Fixed Assets						
Tangible assets	269	(269)	-	168	(168)	-
Intangible assets	-	269	269	-	168	168