

REGISTERED NUMBER: 07601714 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

FOR

GCM PRIME LTD



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FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

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GCM PRIME LTD
COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

DIRECTORS:

C P Long
A R Toro

REGISTERED OFFICE:

1 Kings Avenue
Winchmore Hill
London
N21 3NA

REGISTERED NUMBER:

07601714 (England and Wales)

INDEPENDENT AUDITORS :

AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

The directors present their strategic report for the period 1 April 2016 to 31 December 2016.

REVIEW OF BUSINESS

The company's principal activity during the period continued to be that of an execution only trader brokerage of CFD and rolling spot forex authorised and regulated by FCA.

Turnover for the period under review was £1,542,550 (Year Ended March 2016: £61,385) which consisted of revenue from the trading activity.

During the period, the company made a gross profit of £171,514 (Year Ended March 2016: Gross loss £60,942). This is as a result of the company trading for whole of the reporting period.

The company's balance sheet as detailed on page 9 shows a net asset position with shareholders' funds amounting to £4,816,529 (Year Ended March 2016: £350,604).

During the period, the company raised additional capital of £4,227,363 (Year Ended March 2016: £679,181) to maintain its cash flow. As a result of this the share capital as at 31 December 2016 was £7,279,571 compared to £3,052,208 as at 1 April 2016.

Capital management

The firm's objectives when managing capital are to safeguard the firm's ability to continue as a going concern and to ensure there is always adequate capital to meet trading requirements, margin requirements, ongoing working capital requirements and the FCA's capital requirements. In order to maintain or adjust the capital structure, the firm may issue new shares. Capital is managed through budgeting, forecasting and quarterly entity capital reporting.

Comparatives:

In the nine months to 31 December 2016, the company achieved organic growth representing a large increase year on year. This increase is also partly due to the acquisition of a book of institutional clients in September 2016.

STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

PRINCIPAL RISKS AND UNCERTAINTIES

The firm's chief executive officer (CEO) is ultimately responsible for the overall risk management approach of the firm and for approving and monitoring risk strategies, setting limits, applying principles and ensuring appropriate risk reduction strategies and procedures are coordinated and implemented.

The firm has robust risk management policies in place to monitor and control risks and the principal risks are:

- Market risk

All transactions executed by the company are on a matched principal basis. All completed transactions are systematically matched to client's orders. However, no order shall be executed if the client does not have sufficient collateral within their client account. The company will therefore never enter into a transaction that will not be netted off to the client and as such the company is acting as a matched principal only. Since the company takes no market positions itself it therefore has no market risk.

- Credit risk

The firm has credit risk with banks with which it deposits funds and market counterparties. The firm sets limits as to the maximum exposure to credit risk. The firm's credit risk is also the risk that clients will cause a financial loss for the firm by failing to discharge their financial obligations to it.

- Liquidity risk

Liquidity risk is the risk that the firm will encounter difficulties in meeting its financial obligations. The firm's approach to liquidity is to ensure that it will always have sufficient liquidity to meet its clients and brokers margin requirement and liabilities when they fall due. This is achieved by ongoing monitoring of the firm's available working capital as compared with the amounts due to clients and counterparties, as settled daily to their respective P&Ls.

- Operational risk

The firm's operational risk is the risk that the firm will derive losses through inherent failures in its processes, personnel, technology or infrastructure or by external forces impacting on any one of these. These risks are addressed through regular assessment of the likelihood of these risks occurring as part of the firm's ongoing internal risk management procedures, including maintaining a fully up to date risk register and ICAAP, and contingency planning for dealing with such risks arising. The firm's ICAAP also details expected costs which would be associated with risks which cannot be fully mitigated, and these are taken into account when planning the firm's capital.

Risks relating to financial instruments

The company's only financial instruments are cash and trade creditors.

- Credit and liquidity risk - Sufficient current and liquid assets are available to meet current liabilities.

- Future cash flows are also monitored on a regular basis and the company ensures that there is sufficient day-to-day cash to settle immediate liabilities and the growth of the business.

- Currency risk - The company is exposed to the impact of fluctuations in exchange rates as it generates income and incurs expenses in currencies other than sterling (GBP). The company has exposure to US Dollar (USD), Euro (EUR) and Japanese Yen (YEN)

- Interest rate risk - The company has interest bearing assets but no material bearing liabilities that would give rise to exposures to fluctuation in interest rates.

FUTURE DEVELOPMENTS

The company has a plan in place to increase the number of clients and volumes traded to generate increased turnover and profits for the next 2 years and its long term strategy is to concentrate in the acquisition of large volume trading clients. The existing team is capable of delivering the growth and profitability for the future.

STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

KEY PERFORMANCE INDICATORS

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the key performance indicators (KPI's).

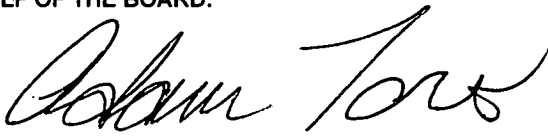
The key financial performance indicators are turnover, operating profit and net assets. These KPI's indicate the success of the company.

The key non-financial performance indicators are the number of clients and the notional volume traded by clients.

The key performance indicators for the year ended 31 December 2016, with comparatives for 2015, are set out below:

	2016	2015
	£	£
Turnover	1,542,550	61,385
Operating loss	227,174	729,305
Net assets	4,816,529	350,604

ON BEHALF OF THE BOARD:



A R Toro - Director

24 April 2017

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

The directors present their report with the financial statements of the company for the period 1 April 2016 to 31 December 2016.

DIVIDENDS

No dividends will be distributed for the period ended 31 December 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

C P Long
A R Toro

Other changes in directors holding office are as follows:

S Buccellato - resigned 12 September 2016
G Ward - resigned 10 June 2016

POST BALANCE SHEET EVENTS

There are no matters to report as post balance sheet events.

GOING CONCERN

The directors have prepared the financial statements on a going concern basis which requires the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

DISCLOSURE IN THE STRATEGIC REPORT

Information relating to the following areas have been disclosed in the strategic report:

- Principal activities of the company
- Review of the business
- Financial instruments
- Future developments

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

AUDITORS

The auditors, AGK Partners, have signified their willingness to continue in office as auditors.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A R Toro', written in a cursive style.

A R Toro - Director

24 April 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GCM PRIME LTD

We have audited the financial statements of GCM Prime Ltd for the period ended 31 December 2016 on pages eight to nineteen. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 Strategic Report and the Report of the Directors 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 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors 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.

Michael David Marcus (Senior Statutory Auditor)
for and on behalf of AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

24 April 2017

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

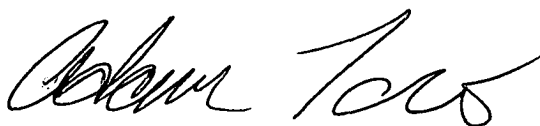
		PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
	Notes		
TURNOVER	3	1,542,550	61,385
Cost of sales		1,371,036	122,327
GROSS PROFIT/(LOSS)		171,514	(60,942)
Administrative expenses		398,688	668,363
OPERATING LOSS	6	(227,174)	(729,305)
Exceptional item re foreign exchange profit	8	515,390	-
		288,216	(729,305)
Interest receivable and similar income		4,182	90
		292,398	(729,215)
Interest payable and similar expenses	9	-	20
PROFIT/(LOSS) BEFORE TAXATION		292,398	(729,235)
Tax on profit/(loss)	10	53,836	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		238,562	(729,235)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		238,562	(729,235)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2016

	Notes	2016		2016	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		437,100		3,138
Tangible assets	12		1,077,826		2,897
			<u>1,514,926</u>		<u>6,035</u>
CURRENT ASSETS					
Other receivables	13	2,365,117		38,780	
Cash at bank		<u>1,999,992</u>		<u>438,572</u>	
		4,365,109		477,352	
CREDITORS					
Amounts falling due within one year	14	<u>1,010,506</u>		<u>132,783</u>	
NET CURRENT ASSETS			<u>3,354,603</u>		<u>344,569</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,869,529		350,604
PROVISIONS FOR LIABILITIES	15		53,000		-
NET ASSETS			<u><u>4,816,529</u></u>		<u><u>350,604</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		7,279,571		3,052,208
Retained earnings	17		(2,463,042)		(2,701,604)
SHAREHOLDERS' FUNDS			<u><u>4,816,529</u></u>		<u><u>350,604</u></u>

The financial statements were approved by the Board of Directors on 24 April 2017 and were signed on its behalf by:



A R Toro - Director

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	2,373,027	(1,972,369)	400,658
Changes in equity			
Issue of share capital	679,181	-	679,181
Total comprehensive loss	-	(729,235)	(729,235)
Balance at 31 March 2016	<u>3,052,208</u>	<u>(2,701,604)</u>	<u>350,604</u>
Changes in equity			
Issue of share capital	4,227,363	-	4,227,363
Total comprehensive income	-	238,562	238,562
Balance at 31 December 2016	<u>7,279,571</u>	<u>(2,463,042)</u>	<u>4,816,529</u>

The notes form part of these financial statements

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

**STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016**

		PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	(1,160,691)	(543,069)
Interest paid		-	(20)
Net cash from operating activities		<u>(1,160,691)</u>	<u>(543,089)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(433,962)	(3,903)
Purchase of tangible fixed assets		(1,075,472)	-
Interest received		4,182	90
Net cash from investing activities		<u>(1,505,252)</u>	<u>(3,813)</u>
Cash flows from financing activities			
Loan repayments in year		-	(456)
Share issue		4,227,363	679,181
Net cash from financing activities		<u>4,227,363</u>	<u>678,725</u>
Increase in cash and cash equivalents		<u>1,561,420</u>	<u>131,823</u>
Cash and cash equivalents at beginning of period	2	<u>438,572</u>	<u>306,749</u>
Cash and cash equivalents at end of period	2	<u><u>1,999,992</u></u>	<u><u>438,572</u></u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016**

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Profit/(loss) before taxation	292,398	(729,235)
Depreciation charges	543	18,749
Impairment of fixed assets	-	89,903
Finance costs	-	20
Finance income	(4,182)	(90)
	<hr/> 288,759	<hr/> (620,653)
Increase in trade and other debtors	(2,326,337)	(26,801)
Increase in trade and other creditors	876,887	104,385
	<hr/> 876,887	<hr/> 104,385
Cash generated from operations	<hr/> (1,160,691)	<hr/> (543,069)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 December 2016

	31.12.16 £	1.4.16 £
Cash and cash equivalents	<hr/> 1,999,992	<hr/> 438,572

Year ended 31 March 2016

	31.3.16 £	1.4.15 £
Cash and cash equivalents	<hr/> 438,572	<hr/> 306,749

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

1. STATUTORY INFORMATION

GCM Prime Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis as the directors are satisfied that the company will have adequate resources to meet its liabilities to third parties as they fall due.

GCM Prime Ltd is a limited company incorporated in England. The address of its registered office and the principal place of business, is disclosed in the company information.

The company's principal activity during the period continued to be that of an execution only trader brokerage of CFD and rolling spot forex authorised and regulated by FCA.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

Significant judgements and estimates

The preparation of the group financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Turnover

Turnover represents the fees earned in respect of execution only transactions carried out under instructions from retail and professional customers.

Turnover is recognised when it is probable that economic benefits associated with the transactions will flow to the company and the revenue can be reliably measured.

Goodwill

Goodwill, being the amount paid in connection with acquisition of a business operations in July 2016 and this is being amortised evenly over its estimated useful life of 10 years.

The company has adopted the policy of not to amortise the goodwill in the year of acquisition of the asset, however full amortisation will be provided in the year of disposal.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings - 33.33% on cost

The company has adopted the policy of not to depreciate in the year of purchase of the asset, however full depreciation will be provided in the year of disposal.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet at their fair value when the Company becomes a party to the contractual provisions of the instrument. They are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Client money

The Company holds money on behalf of clients in accordance with the Client Asset (CASS) rules of the Financial Conduct Authority. Client monies are classified as cash and cash equivalents in accordance with the relevant regulatory requirements. The amounts held on behalf of clients at the balance sheet date is stated in the notes of the financial statements.

The comparative figures of bank and creditors for year ended 31 March 2016 has been adjusted to eliminate the client monies amounting to £582,504 held by the company. This adjustment did not have any impact on the profits/ (loss) for the company for previous year.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less from the date of acquisition and bank overdrafts.

Comparatives

The financial statements prepared for the current period to 31 December 2016 are for a period of 9 months and the financial statements prepared for the previous period to 31 March 2016 was for a period of 12 months.

3. TURNOVER

The turnover and profit (2016 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Fees earned	1,542,550	61,385
	<u>1,542,550</u>	<u>61,385</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

3. TURNOVER - continued

An analysis of turnover by geographical market is given below:

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
United Kingdom	246,808	61,385
Europe	277,659	-
Rest of the world	1,018,083	-
	<u>1,542,550</u>	<u>61,385</u>

4. EMPLOYEES AND DIRECTORS

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Wages and salaries	351,921	358,647
Social security costs	37,973	42,303
Other pension costs	1,613	-
	<u>391,507</u>	<u>400,950</u>

The average monthly number of employees during the period was as follows:

	PERIOD 1.4.16 TO 31.12.16	YEAR ENDED 31.3.16
Administration	<u>5</u>	<u>4</u>

5. DIRECTORS' EMOLUMENTS

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Directors' remuneration	<u>230,233</u>	<u>322,621</u>

Information regarding the highest paid director is as follows:

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Emoluments etc	<u>112,500</u>	<u>93,254</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016**

6. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Depreciation - owned assets	543	17,984
Goodwill amortisation	-	765
Foreign exchange differences	(189,576)	(46,166)
	<u> </u>	<u> </u>

7. AUDITORS' REMUNERATION

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	6,600	6,400
Total audit fees	<u>6,600</u>	<u>6,400</u>
Other non- audit services	12,720	20,190
Total non-audit fees	<u>12,720</u>	<u>20,190</u>
Total fees payable	<u>19,320</u>	<u>26,590</u>

8. EXCEPTIONAL ITEMS

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Exceptional item re foreign exchange profit	515,390	-
	<u> </u>	<u> </u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Bank interest	-	20
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

10. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Current tax:		
UK corporation tax	836	-
Deferred tax	53,000	-
Tax on profit/(loss)	<u>53,836</u>	<u>-</u>

UK corporation tax was charged at 20% in 2016.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	PERIOD 1.4.16 TO 31.12.16 £	YEAR ENDED 31.3.16 £
Profit/(loss) before tax	<u>292,398</u>	<u>(729,235)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	58,480	(145,847)
Effects of:		
Expenses not deductible for tax purposes	(528)	(296)
Capital allowances in excess of depreciation	(55,559)	-
Depreciation in excess of capital allowances	-	21,032
Utilisation of tax losses	(2,393)	-
Tax losses carried forward	-	125,111
Tax on interest received	836	-
Deferred tax provision	53,000	-
Total tax charge	<u>53,836</u>	<u>-</u>

Tax losses of £2,369,024 (Year Ended March 2016: £2,660,422) are carried forward for utilisation in future years.

11. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2016	3,903
Additions	<u>433,962</u>
At 31 December 2016	<u>437,865</u>
AMORTISATION	
At 1 April 2016 and 31 December 2016	<u>765</u>
NET BOOK VALUE	
At 31 December 2016	<u>437,100</u>
At 31 March 2016	<u>3,138</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2016	6,045
Additions	1,075,472
	<hr/>
At 31 December 2016	1,081,517
	<hr/>
DEPRECIATION	
At 1 April 2016	3,148
Charge for period	543
	<hr/>
At 31 December 2016	3,691
	<hr/>
NET BOOK VALUE	
At 31 December 2016	1,077,826
	<hr/>
At 31 March 2016	2,897
	<hr/>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2016 £
Trade debtors	67,269	-
Other debtors	2,270,432	24,778
Accrued Income	8,872	-
Prepayments	18,544	14,002
	<hr/>	<hr/>
	2,365,117	38,780
	<hr/>	<hr/>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2016 £
Trade creditors	152,623	17,613
Tax	836	-
Social security and other taxes	18,083	15,492
Other creditors	633,526	33,039
Accrued expenses	205,438	66,639
	<hr/>	<hr/>
	1,010,506	132,783
	<hr/>	<hr/>

15. PROVISIONS FOR LIABILITIES

	2016 £	2016 £
Deferred tax		
Accelerated capital allowances	53,000	-
	<hr/>	<hr/>
		Deferred tax
		£
Provided during period		53,000
		<hr/>
Balance at 31 December 2016		53,000
		<hr/>

GCM PRIME LTD (REGISTERED NUMBER: 07601714)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2016 TO 31 DECEMBER 2016

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2016	
Number:	Class:		£	£
7,279,571	Ordinary shares		<u>7,279,571</u>	<u>3,052,208</u>

4,227,363 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

17. RESERVES

	Retained earnings £
At 1 April 2016	(2,701,604)
Profit for the period	<u>238,562</u>
At 31 December 2016	<u>(2,463,042)</u>

18. ULTIMATE PARENT COMPANY

Prime Trade Holdings Corp. (incorporated in USA) is regarded by the directors as being the company's ultimate parent company.

The financial statement of Prime Trade Holdings Corp. and its subsidiary companies, which include the results of the company, can be obtained from 48 Wall Street Fl 11, New York, New York 10005.

19. RELATED PARTY DISCLOSURES

During the period, the company incurred management fees amounting to £Nil (Year Ended March 2016: £13,283) from an external entity connected by virtue of an ex director being a common director and a shareholder. The transactions took place on an arm's length basis.

Included in creditors, amounts due within one year balances amounting to £132,245 (Year Ended March 2016: £58,225) owed to entities connected by virtue of S Buccellato, the ultimate controlling party, having an interest in those entities.

All directors have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals is disclosed under the directors' emoluments notes in the financial statements.

20. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is S Buccellato by virtue of his shareholdings in Prime Trade Holdings Corp., the ultimate parent company.

21. PILLAR 3 DISCLOSURES

In accordance with FCA regulations, the Pillar 3 disclosures are available on the Company's website at <http://www.gcmprime.com/>.

22. CLIENT MONEY HELD

As at 31 December 2016, the company held client money amounting to £15,359,911 (Year Ended March 2016: £582,504). This balance is not reflected in the financial statements of the company.