

**London Stock Exchange LEI LIMITED**

**Report and Financial Statements**

**For the year ended 31 December 2018**

**Company Registration Number 08530763**



# LONDON STOCK EXCHANGE LEI LIMITED

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# **LONDON STOCK EXCHANGE LEI LIMITED**

## **DIRECTORS AND OFFICERS**

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### **DIRECTORS AND OFFICERS**

M Husler

### **COMPANY SECRETARY**

T Hogan

(appointed 22 September 2018)

### **REGISTERED OFFICE**

10 Paternoster Square  
London  
EC4M 7LS

### **INDEPENDENT AUDITORS**

Ernst & Young LLP  
25 Churchill Place  
Canary Wharf  
London  
E14 5EY

### **BANKERS**

HSBC Bank plc  
City of London Branch  
60 Queen Victoria Street  
London  
EC4N 4TR

# **LONDON STOCK EXCHANGE LEI LIMITED**

## **DIRECTORS' REPORT**

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### **REVIEW OF BUSINESS**

London Stock Exchange LEI Limited (the "Company") is accredited by the Global Legal Entity Identifier Foundation (GLEIF) as an authorised Local Operating Unit (LOU) for the global allocation of Legal Entity Identifiers (LEI). London Stock Exchange issues LEIs to legal entities using the requirements set by GLEIF and the agreed principles outlined by the LEI Regulatory Oversight Committee (LEI ROC).

The Company was incorporated on 15<sup>th</sup> of May 2013 under the name of UnaVista LEI Limited. On 8<sup>th</sup> of June 2017, the Company changed its incorporation name to London Stock Exchange LEI Limited. For the period ended 31 December 2017 the company was dormant.

On 5<sup>th</sup> of February 2018, the Company acquired customer relationship of the UK's Legal Entity Identifier ("LEI") business from London Stock Exchange Plc, a fellow subsidiary of the Company's ultimate parent London Stock Exchange Group plc, through the issuance of the share capital in the amount of £9.65m.

Income and expenses relate to recognition of the fees received from customers for the issuance of LEIs, regulatory fees paid to GLEIF and administrative expenses relating to the set up of LEIs.

The platform used to issue and renew LEIs is owned by Unavista Limited. During the year 2018 the Company utilised the platform at free of charge.

During the year 2018, expenses accrued in the financial statements and credit card payments received from the customers were allocated to the Company from London Stock Exchange Plc.

For the year ended 31 December 2018, the Company recorded a total income of £2.4million (2017: nil), a profit of £0.4m (2017:nil) and its net assets were £10m (2017: nil).

### **DIVIDENDS**

No dividend is proposed for the year ended 31 December 2018. (31 December 2017: nil)

### **DIRECTORS AND DIRECTORS INTERESTS**

The following Directors have held office throughout the year and up to the date of approval of the financial statements:

M Husler  
M Makepeace (Resigned 16 September 2019)

None of the Directors had any interest in the shares of the Company. There are no directors' interests requiring disclosure under Companies Act 2006.

### **DIRECTORS' LIABILITIES**

The Company has Directors and Officers insurance which provides an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

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.

# LONDON STOCK EXCHANGE LEI LIMITED

## DIRECTORS' REPORT

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In preparing those 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 United Kingdom Accounting Standards, including FRS 101, 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### GOING CONCERN

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are Directors of the Company at the date when this report was approved:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each of the Directors has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### AUDITORS

The Auditors, Ernst & Young LLP, are deemed to be reappointed under section 487 of the Companies Act 2006.

By order of the Board



**Mark Husler**

19 September 2019

REGISTERED OFFICE:  
10 Paternoster Square  
London  
EC4M 7

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LONDON STOCK EXCHANGE LEI LIMITED

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## OPINION

We have audited the financial statements of London Stock Exchange LEI Limited (the "Company") for the year ended 31 December 2018 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework".

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ("FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## OTHER INFORMATION

The other information comprises the information included in the Report set out on pages 2 to 3, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LONDON STOCK EXCHANGE LEI LIMITED

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## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to take the advantage of the small companies in not preparing the Strategic Report.

## RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Maurice McCormick (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
20 September 2019

# LONDON STOCK EXCHANGE LEI LIMITED

## INCOME STATEMENT

Year ended 31 December 2018

		Year ended 31 December 2018	Year ended 31 December 2017
	Notes	£'000	£'000
Revenue	4	2,384	-
<b>Total income</b>		<b>2,384</b>	<b>-</b>
Cost of sales		(353)	-
<b>Gross profit</b>		<b>2,031</b>	<b>-</b>
<b>Expenses</b>			
Administrative expenses	5	(469)	-
Amortisation	5	(870)	-
<b>Total expenses</b>		<b>(1,339)</b>	<b>-</b>
<b>Operating profit</b>		<b>692</b>	<b>-</b>
<b>Profit before taxation</b>		<b>692</b>	<b>-</b>
Taxation	7	(297)	-
<b>Profit for the period</b>		<b>395</b>	<b>-</b>

The transactions in the current year were derived from continuing operations.

There are no other items of income or expenditure other than those included within the income statement for the year ended 31 December 2018 and period ending 31 December 2017.

The notes on pages 9 to 16 form an integral part of these financial statements.



# LONDON STOCK EXCHANGE LEI LIMITED

## STATEMENT OF FINANCIAL POSITION

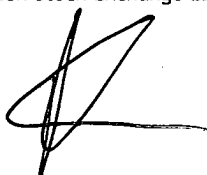
At 31 December 2018

	Notes	31 December 2018 £'000	31 December 2017 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	9	8,780	-
		8,780	-
<b>Current assets</b>			
Trade and other receivables	10	2,518	-
Cash and cash equivalents	11	1,931	-
		4,449	-
<b>Total assets</b>		13,229	-
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	145	-
Contract liabilities	13	2,742	-
Current tax	7	297	-
		3,184	-
<b>Total liabilities</b>		3,184	-
<b>Net assets</b>		10,045	-
<b>Equity</b>			
Share capital	14	9,650	-
Retained earnings		395	-
<b>Total equity</b>		10,045	-

The financial statements on pages 9 to 16 were approved by the Board on 19 September 2019 and signed on its behalf by:

Mark Husler  
Director  
19 September 2019

London Stock Exchange LEI LIMITED



Registered number: 08530763

# LONDON STOCK EXCHANGE LEI LIMITED

## STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

	Ordinary share capital	Retained earnings	Total attributable to equity holder
	£'000	£'000	£'000
1 January 2018	-	-	-
Profit for the period	-	395	395
Issuance of share capital (Note 9)	9,650	-	9,650
<b>31 December 2018</b>	<b>9,650</b>	<b>395</b>	<b>10,045</b>

The notes on pages 9 to 16 form an integral part of these financial statements

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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### 1. Basis of Preparation and Accounting Policies

#### Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101") and the Companies Act 2006 (the "Act"). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU").

The Company is a qualifying entity for the purposes of FRS 101. Note 16 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS as adopted by the EU may be obtained.

FRS 101 sets out amendments to IFRS that are necessary to achieve compliance with the Act and related regulations. The impact of these amendments to the Company's previously adopted accounting policies in accordance with IFRS as adopted by the EU was not material on the shareholders' equity as at the date of transition and as at 31 December 2018 or on the profit for the period ended 31 December 2018.

The following disclosure exemptions under FRS 101 have been considered and applied where deemed to be applicable:

- IAS 7 cash flow statements and related notes;
- reduced IFRS 2 disclosure for share-based payment arrangements in a subsidiary's financial statements;
- IAS 8 the listing of new or revised standards that have not been adopted (and information about their likely impact) may be omitted;
- reduced IAS 36 disclosure of impairment review;
- reduced IFRS 3 disclosure for business combinations during and after the period;
- reduced IFRS 5 disclosure for discounted operations;
- reduced IFRS 7 disclosure of financial instruments;
- reduced IFRS 13 disclosure relating to fair value measurement
- reduced IFRS 15 disclosure of revenue from contracts with customers
- IAS 24 related party disclosures for intra-group transactions and disclosure of key management compensation;
- IAS 1 the requirement to present comparatives in roll-forward reconciliations for movements on share capital, property plant and equipment, intangible assets and investment property; and
- reduced IAS 1.134-1.136 disclosure on capital management.

The following amendments were endorsed by the EU during the year and have been adopted in these financial statements:

- IFRS 9 'Financial Instruments' on classification and measurement and amendments regarding general hedge accounting
- IFRS 15 'Revenue from Contracts with Customers'
- Amendment to IFRS 4 'Insurance Contracts' regarding the implementation of IFRS 9, 'Financial instruments'
- Amendments to IAS 40 'Transfers of Investment Property'
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration'
- IFRIC 23 'Uncertainty over Income Tax Treatments'

The impact of adopting IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers' is explained further in Note 3. The remaining standards adopted did not have a material impact on the financial statements.

These financial statements are prepared under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company is a private limited company, limited by shares and incorporated and domiciled in England and Wales. The address of its registered office is 10 Paternoster Square, London, EC4M 7LS.

#### Accounting policies

##### *Income statement*

##### *Revenue*

Revenue from licences are recognised consistent with the pattern of the service provision and how our performance obligation is satisfied throughout the licence period.

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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### 1. Basis of preparation and accounting policies (continued)

#### Accounting policies (continued)

##### *Cost of sales*

Cost of sales comprises data and licence fees and any other costs linked and directly incurred to generate revenues and provide services to customers.

##### *Foreign currencies*

These financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency. Foreign currency transactions are converted into the functional currency of the reporting entity using the rate ruling at the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except for differences arising on pension fund assets or liabilities which are recognised in other comprehensive income.

##### *Statement of Financial Position*

##### *Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for the separately acquired contractual customer relationship list is calculated using the straight-line method over the expected life of the customer relationships being 10 years.

The useful economic lives are based on management's best estimate such as attrition rates on customer relationships.

An intangible asset is de-recognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

##### *Current and deferred taxation*

Income tax on the profit for the period comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in Other comprehensive income or directly in equity. In this case, the tax is also recognised in Other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income and any adjustment to tax payable in respect of previous years.

##### *Financial instruments*

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

##### *Financial assets*

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets as fair value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI) or amortised cost. The classification depends on the Company's business model for managing its financial instruments and whether the cash flows generated are 'solely payments of principal and interest' (SPPI).

The Company's financial assets including trade and other receivables and cash and cash equivalents are classified into the amortised cost measurement category.

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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### 1. Basis of preparation and accounting policies (continued)

#### Accounting policies (continued)

##### *Trade and other receivables*

Trade receivables are non-interest bearing financial assets and are initially recognised at their fair value which is the original invoiced amount to the customers. Subsequent to the initial recognition trade and other receivables are measured at amortised cost using the effective interest method less provision for expected credit losses (ECL).

##### *Cash and cash equivalents*

Cash and cash equivalents comprises deposits held at call with banks, short term deposits with a maturity of three months or less and investments in money market funds that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Subsequent to the initial recognition cash and cash equivalents are measured at amortised cost using the effective interest method less provision for expected credit losses (ECL).

##### *Subsequent measurement:*

The Company adopts a forward-looking approach to estimate impairment losses on financial assets at amortised cost. An expected credit loss (ECL) is calculated based on the difference between the contractual cash flows due and the expected cash flows. The difference is discounted at the asset's original effective interest rate.

The ECLs for trade and other receivables and cash and cash equivalents are calculated using IFRS 9's simplified approach using lifetime ECL. The provision is based on historic experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix.

##### *Financial Liabilities*

The Company measures its financial liabilities at amortised cost, which are comprised of "trade and other payables" in the statement of financial position. Subsequent to initial recognition, financial liabilities at amortised cost are measured using the effective interest rate method, with gains and losses recognised in finance income and expenses respectively. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

##### *Trade and other payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as 'Trade and other payables' within current liabilities, if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as 'Other non-current payables' within non-current liabilities.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

##### *Share capital*

The share capital of the Company consists of only one class of ordinary Shares and these are classified as equity.

##### *Dividend distributions*

Dividend distributions to the Company's equity holders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholder.

### 2. Significant Judgements and estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events.

During the year ended 31 December 2018 and 2017, apart from those involving estimates there were no significant judgments made by the management to apply the accounting policies.

Acquired customer relationship is amortised over its estimated useful economic lives, which is determined based on the management's best estimate of future performance and periods over which value from the customer relationship is realised.

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

### 3. Adoption and impact of new accounting standards and interpretations

On 1 January 2018, the Company adopted two new accounting standards: IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments'. The impact of adopting the new standards:

#### IFRS 15 Revenue from Contracts with Customers - impact of adoption on 1 January 2018

The Company adopted IFRS 15 'Revenue from Contracts with Customers' (IFRS 15) from 1 January 2018, under the modified retrospective restatement approach. This new accounting standard requires the Company to recognise revenue when the Company transfers promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The new guidance requires more detailed revenue disclosures and policies to identify the Company performance obligations to customers.

During the period from inception till 5 February 2018, the Company was dormant, therefore the application of IFRS 15 did not have impact on the Company's financial statements as at 31 December 2017.

#### IFRS 9 Financial instruments - impact of adoption on 1 January 2018

On 1 January 2018, the Company adopted IFRS 9 'Financial Instruments' and applied the standard retrospectively.

IFRS 9 adopts a new approach to calculating impairment losses on financial instruments, a forward-looking approach to estimate expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due and the expected cash flows, which is then discounted at the asset's original effective interest rate.

During the period from inception till 5 February 2018, the Company was dormant, therefore the application of IFRS 9 did not have impact on the Company's financial statements as at 31 December 2017.

### 4. Revenue and other income

	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
Revenue		
License fees	2,384	-
<b>Total revenue</b>	<b>2,384</b>	<b>-</b>

### 5. Expenses by Nature

Expenses comprise the following:

	Note	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
Amortisation	9	870	-
Employee costs		308	-
Property costs		39	-
Professional fees		30	-
Other costs		92	-
<b>Total</b>		<b>1,339</b>	<b>-</b>

### 6. Directors' Remuneration

No Directors received remuneration during the year to 31 December 2018 and the year ended 31 December 2017 in respect of services to this Company.

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

### 7. Taxation

The standard UK corporation tax rate was 19 % (20% for the year ended 31 December 2017).

		Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
<b>Taxation charged to the income statement</b>	<b>Note</b>		
Current UK tax:			
Corporation tax for the year		297	-
<b>Total current tax</b>		<b>297</b>	<b>-</b>
Deferred tax:			
Deferred tax for the current year		-	-
<b>Total deferred tax</b>		<b>-</b>	<b>-</b>
<b>Tax on profit on ordinary activities</b>		<b>297</b>	<b>-</b>

		Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
<b>Taxation on items not (credited) / charged to the income statement</b>			
Current tax allowance on share options / awards in excess of expense recognised		-	-
Deferred tax allowance on share options / awards in excess of expense recognised		-	-
<b>Tax on profit on ordinary activities</b>		<b>-</b>	<b>-</b>

#### Factors affecting the tax charge for the period:

The income statement tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (year ended 31 December 2017: 20%) as explained below:

	Year ended 31 December 2018 £'000	Year ended 31 December 2017 £'000
Profit before taxation	692	-
Profit multiplied by standard rate of corporation tax in the UK	132	-
(Income not taxable)/expenses not deductible	165	-
<b>Taxation charge</b>	<b>297</b>	<b>-</b>

The UK Finance Bill 2015 was enacted in November 2015 reducing the standard rate of corporation tax from 20% to 19% effective from 1 April 2017 and the Finance Bill 2016 was enacted in September 2016 further reducing the standard rate of corporation tax to 17% effective from 1 April 2020.

### 8. Dividends

No dividend is proposed for the year ended 31 December 2018. (31 December 2017: nil)

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

### 9. Intangible Assets

	Customer relationship £'000	Total £'000
Cost:		
1 January 2018	-	-
Additions during the year	9,650	9,650
<b>At 31 December 2018</b>	<b>9,650</b>	<b>9,650</b>
Accumulated amortisation:		
1 January 2018	-	-
Amortisation charge for the year	870	870
<b>At 31 December 2018</b>	<b>870</b>	<b>870</b>
Net book value:		
<b>At 31 December 2017</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2018</b>	<b>8,780</b>	<b>8,780</b>

On 5<sup>th</sup> of February 2018 the Company acquired the UK's Legal Entity Identifier ("LEI") business from London Stock Exchange Plc, a fellow subsidiary of the Company's ultimate parent London Stock Exchange Group plc, for £9.65m and a £9.65m intangible asset was recognise representing the customer relationships acquired as part of the transaction. The Company received a capital contribution for £9.65m from its immediate parent London Stock Exchange Reg Holdings Limited ("Reg Holdings") to fund the transaction.

### 10. Trade and Other Receivables

	31-Dec-18 £'000	31-Dec-17 £'000
Current		
Trade receivables	596	-
Amounts due from companies under common control	1,923	-
Less: provision for impairment	(1)	-
<b>Total trade and other receivables</b>	<b>2,518</b>	<b>-</b>

The carrying values less impairment provisions of receivables are reasonable approximations of fair values. All trade and other receivables are denominated in Sterling.

### 11. Cash and Cash Equivalents

	31-Dec-18 £'000	31-Dec-17 £'000
Cash at bank	1,931	-
<b>Total</b>	<b>1,931</b>	<b>-</b>

There are no differences between the book value and fair value of the above balances. Management does not expect any losses from the non-performance by the counterparties holding cash and cash equivalents.



# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

### 12. Trade and Other Payables

	31-Dec-18	31-Dec-17
	£'000	£'000
<b>Current</b>		
Accruals	30	-
Social security and other taxes	112	-
Other payables	3	-
<b>Total trade and other payables</b>	<b>145</b>	<b>-</b>

Accruals include audit fees accrued as at 31 December 2018 in respect of the remuneration of the Company's auditors. For the details see Note 17.

### 13. Contract liabilities

	31-Dec-18	31-Dec-17
	£'000	£'000
<b>Current</b>		
Contract liabilities	2,742	-
<b>Total contract liabilities</b>	<b>2,742</b>	<b>-</b>

The contract liabilities primarily relate to the advance consideration received from customers for initial registration and renewal of LEIs for which revenue is recognised over time. As at 31 December 2018, the amount of contract liabilities is £2,742 thousand. This will be recognised as revenue over the next 12 months.

### 14. Ordinary Share Capital

	31-Dec-18		31-Dec-17	
	Number of shares	Share capital £	Number of shares	Share capital £
<b>Issued, called up and fully paid</b>				
Ordinary shares of £1 each	9,650,000	9,650,000	-	-

### 15. Commitments and Contingencies

The Company had no contracted capital commitments and other contracted commitments not provided for in the financial statements of the Company (31 December 2017: nil)

### 16. Ultimate Parent Company

As at 31 December 2018, the Company's parent and ultimate parent undertaking and the parent that headed the largest group of undertakings for which consolidated financial statements were prepared was London Stock Exchange Group plc, a company incorporated in England and Wales. The Company's immediate parent is London Stock Exchange Reg Holdings Ltd, a company incorporated in the United Kingdom. One hundred per cent of the issued share capital of the Company was beneficially owned by its ultimate parent undertaking.

# LONDON STOCK EXCHANGE LEI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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A copy of the London Stock Exchange Group plc consolidated financial statements can be obtained from London Stock Exchange Group plc, 10 Paternoster Square, London EC4M 7LS.

### 17. Other Statutory Information

Auditors' remuneration payable to Ernst & Young LLP comprise the following:

	31-Dec-18	31-Dec-17
	£'000	£'000
Audit of the Company's financial statements - Ernst & Young LLP	30	-
<b>Total</b>	<b>30</b>	<b>-</b>

Statutory information in remuneration for other services provided by the Company's auditors for the Group is given in the consolidated financial statements of London Stock Exchange Group plc, which is the largest group into which the results of the Company are consolidated. There were no non-audit services provided to the Company in the current year and in the prior year.

### 18. Events after the reporting period

There are no events after the reporting date to disclose.