

Company Number 09080531

ICAP Global Broking Holdings Limited

Annual Report and Financial Statements - 31 December 2020



ICAP Global Broking Holdings Limited
Strategic report
31 December 2020

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their Annual Report and the audited financial statements of ICAP Global Broking Holdings Limited (the "Company") for the year ended 31 December 2020.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company is a private limited company, incorporated in England and Wales, and is a wholly owned subsidiary within the TP ICAP plc group (the "Group").

The principal activity of the Company is to act as an investment holding company within the Group. During the current year, the Company earned dividends of £263,442,000 (2019: £631,898,000) and impaired its investments by £209,624,000 (2019: £473,132,000). The Company made additions to its portfolio of investments totalling £101,944,000 and disposed of investments amounting to £432,848,000 (Notes 11, 12 and 13). The directors consider that the year end financial position was satisfactory and do not anticipate any change to its principal activity.

RESULTS

The results of the Company are set out in the Statement of profit and loss on page 11.

The Profit after income tax for the financial year of £41,011,000 (2019: £121,853,000) has been transferred to Retained profits.

The Net assets of the Company are £515,481,000 (2019: £485,369,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks in the Company's day to day operations can be categorised as Market, Credit, Operational, Liquidity, Capital management, Strategic and business risk.

Market risk is the vulnerability of the Company to movements in foreign exchange and interest rates.

Credit risk is the risk of financial loss to the Company in the event of non-performance by a client or counterparty with respect to its contractual obligations to the Company.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events. Operational risk covers a wide and diverse range of risk types. The overall objective of the Company's operational risk management is not to avoid all potential risks but to proactively identify and assess risks and risk situations and manage them in an efficient and informed manner.

Liquidity risk is the risk that the Company, in periods of corporate or market volatility, will not have access to an appropriate level of cash or funding to enable it to finance ongoing operations or any reasonable unanticipated events on cost effective terms. Cash and cash equivalent balances are held with the principal objective of capital security and availability and with a secondary objective of generating return. Funding requirements and Cash and cash equivalent exposures are monitored by Group Finance and Operations.

Capital management risk is the risk of failure to maintain adequate levels of capital. The Company closely monitors regulatory developments in the market and is actively involved in the consultation and rule-setting process so as to ensure an informed debate on all regulatory issues potentially affecting Inter-dealer broker ("IDB") markets, both on an individual firm basis and through trade associations. The board undertakes an informed assessment of whether the Company holds sufficient capital in the context of the business objectives taking into account the nature of its business model, its risk profile, its risk management framework and its current capital resources.

Strategic and business risk is the risk that the Company's ability to do business might be damaged through its failure to adapt to changing market dynamics and customer requirements.

Management have the day-to-day responsibility for ensuring that the Company operates in accordance with the Enterprise Risk Management Framework. The Group has approved policies and procedures to manage key risks. Further details of the Enterprise Risk Management Framework are outlined in the Group's Annual Report, which does not form part of this report.

During 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. As at the date of this report, the outbreak of a novel COVID-19 virus continues to be a challenge for governments around the world, including the United Kingdom. Restrictions regarding the movement of people has generated widespread disruption, which has impacted the global financial markets. In response, the Group, including the Company, has activated its Business Continuity Planning strategies, which include the introduction of measures to allow a significant proportion of our employees to work remotely, to safeguard their wellbeing and to continue Company operations and support of our clients. The full extent of how these conditions will impact the Company is not yet known as there is uncertainty around the duration and severity. Therefore, while we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Company has a positive net asset value and cash reserves available to help preserve its financial flexibility.

SECTION 172(1) STATEMENT

The directors provide this statement describing how they have had regard to the matters set out in Section 172(1) of the Companies Act 2006, when performing their duty to promote the success of the Company. Further details on key actions in this regard are also contained in the Group Corporate Governance Report. This statement also provides details of how the directors have engaged with and had regard to the interests of our key stakeholders.

Our stakeholders

The Company believes that engagement with our shareholders and wider stakeholder groups plays a vital role throughout the business. During 2020, we maintained our focus on engagement with stakeholders as well as increasing our attention on environment, social and governance ("ESG") matters. During the year the Company strengthened its risk and governance framework with the adoption of a UK Regulated Entity Governance Framework which forms part of the Group's Governance Framework. The structure and format of Company and Committee papers have been reviewed and, as a result, changes were implemented to ensure that Section 172(1) considerations are considered in Board discussion and decision making.

- **Group shareholders**

The directors believe that engagement with our shareholders is of key importance to the business. During the year, the directors considered, approved and paid dividends as appropriate to its shareholders, having considered the impact of a distribution on the long-term prospects of the business. Further information on the tailored engagement approach which is adopted towards the Group's shareholders is carried out at Group level, details of which are included in the Group's Annual Report which does not form part of this report.

Environment and Community

The directors are aware of society's increasing focus on ESG and is committed to striving to operate in a sustainable and responsible way whilst delivering value for our stakeholders. Further details of the Group's key community initiatives and reporting on greenhouse gas emissions can be found in the Strategic report and Directors' report within the Group's Annual Report which does not form part of this report.

KEY PERFORMANCE INDICATORS

The Company's return on assets, calculated as net profit divided by net assets, is 8.0% (2019: 25.1%). This is in line with management expectations.

The directors of TP ICAP Group plc manage the Group's operations on a regional basis. For this reason, the Company's directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of the Group, which includes the Company, are discussed in the Annual Report of TP ICAP plc (now known as TP ICAP Limited), which does not form part of this report.

This report has been approved by the board of directors and signed by order of the board.



R Stewart
Director

29 September 2021

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

PRINCIPAL ACTIVITIES

The principal activity of the Company is to act as a holding company within the Group. It is anticipated that the Company will continue its present business activities for the foreseeable future.

The Company is incorporated in the United Kingdom and domiciled in England and Wales. The Company is a private company limited by shares. The registered office is 135 Bishopsgate, London, England, EC2M 3TP.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Details of business review and future developments can be found in the Strategic Report on page 1.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of principal risks and uncertainties can be found in the Strategic Report on page 2.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being at least the twelve months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis in preparing the financial statements. Further detail regarding the adoption of the going concern basis, which includes consideration of the potential impact of COVID-19, is detailed in Note 1, General information and principal accounting policies.

DIVIDENDS

During the year ended 31 December 2020 the directors declared and paid dividends on the ordinary shares of £10,899,000 (2019: £127,751,000).

The following dividends were paid post year end:

On 23 February 2021, the Company declared and paid a dividend of £412,744,700 to TP ICAP plc.

DIRECTORS

The following persons were directors of the Company during the financial year and up to the date of this report, unless otherwise stated:

P Price
R Stewart

DIRECTOR'S INDEMNITIES

The Company's ultimate parent, TP ICAP plc, has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

SECTION 172(1) STATEMENT

The Company has prepared a statement in compliance with Section 172(1) of the Companies Act 2006. Details of this statement can be found in the Strategic Report on page 3.

ENVIRONMENTAL POLICY

TP ICAP recognises it has a responsibility to help protect the environment and respond to the global climate crisis. This means minimising the environmental impact of our operations.

Responsibility for environmental matters rests with the Board, and is included in its terms of reference. The Chief Executive Officer is the Board member responsible for corporate social responsibility across the Group. These policies and practices are outlined in TP ICAP plc's (now known as TP ICAP Limited) Annual Report, which does not form part of this report.

POLITICAL CONTRIBUTIONS

There were no political contributions made by the Company during the financial year (2019: £Nil).

ICAP Global Broking Holdings Limited
Directors' report
31 December 2020

POST BALANCE SHEET EVENTS

In February 2021, the shareholders of TP ICAP plc approved the re-domiciliation of the Group from the UK to Jersey by means of a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 ("the Scheme"):

The Scheme became effective on 26 February 2021 and, as a result, TP ICAP Group plc became the new ultimate parent and controlling party of the Group, and TP ICAP Holdings Ltd became the immediate parent of the Company.

Shortly after the Scheme became effective, the former ultimate parent and controlling party of the Group, TP ICAP plc, changed its status to that of a private company and was renamed TP ICAP Limited.

On 2 February 2021, the Company capitalised the sum of £396,489,173 being a proportion of the retained profits of the Company and applied that sum in paying up in full one ordinary share of £1 nominal value and £396,489,172 share premium and allocating that bonus share to TP ICAP plc.

On 2 February 2021, the Company carried out a reduction in share premium and capital. Part of the amount standing to the credit of the share premium account, being £428,473,169, was cancelled and extinguished and the issued share capital was reduced by £4 from £5 (comprising five ordinary shares of £1 each) to £1 (comprising one ordinary share of £1), by cancelling and extinguishing four ordinary shares of £1 each registered in the name of TP ICAP plc; and the combined sum of £428,473,173 arising on the reduction was credited to profit and loss reserves. The Capital Reduction was approved by directors and shareholders on 2 February 2021 and effective on 5 February 2021 when registered at Companies House.

On 19 February 2021, Tullett Prebon Investment Holdings Limited ("TPIHL") sold its interest in TP ICAP Management Services (Singapore) Pte Ltd ("TPIMSS") to the Company, comprising of 6 no par value shares, for £39,018,686. The sale was approved and the SPA executed by the seller and buyer on 19 February 2021. Legal title will not transfer until the transfer is stamped by the Singapore tax authorities and the Company is recorded as the new shareholder in the register of members of TPIMSS. Legal title was confirmed as transferred on 19 March 2021.

On 19 February 2021, the Company sold its interest of 50.1% in iSwap Limited to TPIHL for a total amount of £19,065,084, to be left outstanding on intercompany. The sale was approved and the Share Purchase Agreement executed by the seller and the buyer on 19 February 2021. Legal title does not transfer until the transfer is adjudged exempt from stamp duty by HMRC and TPIHL is recorded as the new shareholder in the register of members of iSwap Limited.

On 23 February 2021, the Company declared a dividend in specie to be paid to TP ICAP plc totalling £412,744,700.

On 17 March 2021, TP ICAP Limited (formerly TP ICAP plc) sold its interests in the Company for £144,433,145 to TP ICAP Group plc. TP ICAP Limited (formerly TP ICAP plc) retains bare legal title to the Company shares as nominee for TP ICAP Group plc. Bare legal title then transfers from nominee to principal for no consideration and no stamp duty which enables ownership change to be registered immediately.

On 18 March 2021, TP ICAP Group plc sold its interests in the Company for £144,433,145 to TP ICAP Holdings Limited. TP ICAP Group plc retains bare legal title to the Company shares as nominee for TP ICAP Group plc. Bare legal title then transfers from nominee to principal for no consideration and no stamp duty which enables ownership change to be registered immediately.

On 7 May 2021, the Company's registered office changed to 135 Bishopsgate, London, EC2M 3TP.

On 23 August 2021, the Company subscribed on incorporation for 200 shares of one yen per share in each of ICAP Energy (Japan) Limited and Tullett Prebon Energy (Japan) Limited. The capital injection received by the two Japanese entities was for a combined amount of £180,000.

On 27 August 2021, PVM Oil Futures Pte Ltd received a capital injection of USD400,000 from the Company for the subscription of 4 shares.

There have been no additional post balance sheet events from 31 December 2020 up to the date of signing which require separate disclosure.

INDEPENDENT AUDITOR

The Company's incumbent auditor, Deloitte LLP, have indicated their willingness to continue in office and, in the absence of an Annual General Meeting, are deemed reappointed in the next financial year.

ICAP Global Broking Holdings Limited
Directors' report
31 December 2020

PROVISION OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006. This report is authorised for issue by the board of directors.

Approved by the board and signed on its behalf by:



R Stewart
Director

29 September 2021

Company No: 09080531

ICAP Global Broking Holdings Limited
Directors' responsibilities statement
31 December 2020

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 "Reduced Disclosure Framework" has 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 confirm they have complied with all the above requirements in preparing the financial statements.

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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ICAP Global Broking Holdings Limited
Independent auditor's report to the members of ICAP Global Broking Holdings Limited
31 December 2020

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of ICAP Global Broking Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December, 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- The statement of profit or loss;
- the balance sheet;
- the statement of changes in equity;
- 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, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ICAP Global Broking Holdings Limited
Independent auditor's report to the members of ICAP Global Broking Holdings Limited
31 December 2020

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

ICAP Global Broking Holdings Limited
Independent auditor's report to the members of ICAP Global Broking Holdings Limited
31 December 2020

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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



Giles Lang (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London/United Kingdom
29 September 2021

ICAP Global Broking Holdings Limited
Statement of profit or loss
For the year ended 31 December 2020

	Note	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Other operating income	3	523	5,695
Expenses			
Administrative expenses	4	<u>(4,454)</u>	<u>(94)</u>
Operating (loss) / profit		(3,931)	5,601
Interest receivable and similar income	6	5,932	1,554
Interest payable and similar expenses	7	(16,785)	(50,470)
Dividends received	8	263,442	631,898
Impairment of investments	11	(209,624)	(473,132)
Impairment of loan owed by Group related company	9	<u>-</u>	<u>(1,583)</u>
Profit before income tax		39,034	113,868
Income tax	10	<u>1,977</u>	<u>7,985</u>
Profit after income tax for the year		<u><u>41,011</u></u>	<u><u>121,853</u></u>

The Profit after income tax for the current and prior year is derived solely from continuing operations.

There were no items of other comprehensive income in the current or prior year other than the profit for the current or prior year and, accordingly, no Statement of other comprehensive income is presented.

The above Statement of profit or loss should be read in conjunction with the accompanying notes

ICAP Global Broking Holdings Limited
Balance sheet
As at 31 December 2020

	Note	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Assets			
Non-current assets			
Investment in subsidiaries	11	179,634	1,232,305
Investment in joint venture	12	1,599	-
Investment in associates	13	-	417
Deferred tax asset	10	1	1
Total non-current assets		181,234	1,232,723
Current assets			
Debtors	14	751,517	43,149
Cash and cash equivalents	15	1,106	352
Tax receivable	10	7,185	6,886
Total current assets		759,808	50,387
Total assets		941,042	1,283,110
Liabilities			
Current liabilities			
Creditors	17	425,561	797,741
Total current liabilities		425,561	797,741
Total liabilities		425,561	797,741
Net assets		515,481	485,369
Equity			
Issued capital	18	-	-
Share premium	19	31,984	31,984
Retained profits		483,497	453,385
Total equity		515,481	485,369

The financial statements on pages 11 to 26 were approved and authorised for issue by the board of directors on 29 September 2021 and were signed on its behalf by:



R Stewart
Director

29 September 2021

The above Balance sheet should be read in conjunction with the accompanying notes

ICAP Global Broking Holdings Limited
Statement of changes in equity
For the year ended 31 December 2020

	Issued capital £'000	Share premium £'000	Other reserves £'000	Retained profits £'000	Total equity £'000
Balance at 1 January 2019	-	16,484	-	459,283	475,767
Profit after income tax for the year	-	-	-	121,853	121,853
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	121,853	121,853
Shares issued (Notes 18 and 19)	-	15,500	-	-	15,500
Dividends paid (Note 20)	-	-	-	(127,751)	(127,751)
Balance at 31 December 2019	-	31,984	-	453,385	485,369
	Issued capital £'000	Share premium £'000	Other reserves £'000	Retained profits £'000	Total equity £'000
Balance at 1 January 2020	-	31,984	-	453,385	485,369
Profit after income tax for the year	-	-	-	41,011	41,011
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	41,011	41,011
Dividends paid (Note 20)	-	-	-	(10,899)	(10,899)
Balance at 31 December 2020	-	31,984	-	483,497	515,481

The above Statement of changes in equity should be read in conjunction with the accompanying notes

ICAP Global Broking Holdings Limited
Notes to the financial statements
31 December 2020

Note 1. General information and principal accounting policies

General information

The Company is a private company limited by shares, incorporated in England and Wales. The registered office is 135 Bishopsgate, London, England, EC2M 3TP.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern

After consideration of the Company's business review and the risks and uncertainties; including the risks related to Brexit and the uncertainties related to the current Covid-19 pandemic as set out in the Strategic Report, and having considered the Company's forecasts including liquidity and capital, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least the twelve months from the date of approval of the financial statements. Accordingly, the going concern basis continues to be used in preparing these financial statements.

Basis of preparation

The financial statements of the Company have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006. As permitted, the Company has taken advantage of disclosure exemptions, including: Statement of cash flows, disclosure of new accounting standards not yet mandatory, presentation of comparative information for tangible and intangible fixed assets, key management compensation, related party transactions between wholly owned Group companies. Where relevant, equivalent disclosures have been given in the Group financial statements of TP ICAP plc. Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Company's results.

The Company has exercised its entitlement not to produce consolidated financial statements since consolidated financial statements have been prepared by TP ICAP plc (now known as TP ICAP Limited).

The Company's ultimate parent and controlling party is TP ICAP Group plc (incorporated in Jersey). As at the year end, the Company's ultimate parent and controlling party was TP ICAP plc (now known as TP ICAP Limited) (incorporated in the United Kingdom) whose consolidated financial statements are available from Companies House.

The financial statements are prepared in Pound sterling, which is the functional currency of the Company.

Historical cost convention

The financial statements are prepared under the historical cost convention, as modified by financial instruments recognised at fair value.

Interest receivable and similar income

Interest revenue is recognised as interest and accrues using the applicable effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Interest payable and similar expenses

Interest expenditure is recognised as interest and accrues using the applicable effective interest method. This is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial liability to the net carrying amount of the financial liability. All other finance costs are expensed in the period in which they are incurred.

Dividends received

Dividend income is recognised upon declaration or when it becomes receivable.

Note 1. General information and principal accounting policies (continued)

Tax

Tax on the profit or loss for the financial year comprises both current and deferred tax as well as any adjustment in respect of prior years. Tax is charged or credited to the Statement of profit or loss, except when it relates to items charged or credited directly to equity, in which case the current and deferred tax is also recorded within equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

Calculations of current and deferred tax liability are based on ongoing discussions with the relevant tax authorities, management's assessment of legal and professional advice, case law and other relevant guidance. Where the expected tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax amounts in the year in which a reassessment of the liability is made.

Deferred Tax

Deferred tax is recognised using the liability method, in respect of all temporary differences between the carrying value of assets and liabilities for reporting purposes and the tax bases of the assets and liabilities. Deferred tax is calculated at the rate of tax expected to apply when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Dividends paid

Dividends are recognised as deductions from Retained profits in the year in which they are paid.

Foreign currencies

Transactions denominated in foreign currencies are translated into functional currency at the rates of exchange prevailing on the date of each transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currency are retranslated at rates prevailing on the balance sheet date. Exchange differences are taken to the Statement of profit or loss. Non-monetary assets and liabilities carried at fair value denominated in foreign currency are translated at the rates prevailing at the date when the fair value was determined.

Cash and cash equivalents

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

Debtors

Debtors are recognised at amortised cost less expected credit loss provision. All provisions are recorded within Administrative expenses in the Statement of profit or loss.

Creditors

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year where the invoice is unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and usually paid within 30 days of recognition.

Investment in subsidiaries

Investments comprise equity shareholdings. These investments are recorded at historic cost less provision for any impairment in their values. A subsidiary is an entity over which the Company has control. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

Investment in joint ventures

A joint arrangement is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control. Joint ventures are joint arrangements which involve the establishment of a separate entity in which each party has rights to the net assets of the arrangement. The Company reports its interests in joint ventures using the equity method of accounting, based on financial information made up to 31 December each year. Investments in joint ventures are carried in the balance sheet at cost as adjusted by post acquisition changes in the Company's share of the net assets of the joint venture, less any impairment in the value of individual investments. Losses of the joint venture in excess of the Company's interest in those joint ventures are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments under the terms of the joint venture.

Note 1. General information and principal accounting policies (continued)

Financial instruments

The Company has applied IFRS 9 in valuing its financial instruments. The Company had no hedging relationships as at this date or during the current reporting period. Classification of financial assets is based both on the business model within which the asset is held and the contractual cash flow characteristics of the asset. There exist three principal classification categories for financial assets that are debt instruments:

- (i) fair value through other comprehensive income 'FVOCI';
- (ii) fair value through profit or loss 'FVTPL'; and
- (iii) amortised cost.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income ("OCI"). This election is made on an investment-by-investment basis.

Equity investments in scope of IFRS 9 are measured at fair value with gains and losses recognised in the Statement of profit or loss unless an irrevocable election has been made to recognise gains or losses in OCI. Under IFRS 9, derivatives embedded in financial assets are not bifurcated but instead the whole hybrid contract is assessed for classification.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as an asset measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is measured at amortised cost only if both following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

IFRS 9 applies the Expected Credit Loss ("ECL") model to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of Trade and other debtors, Cash and cash equivalents and other Intercompany debtors. ECL of Trade and other debtors and Cash and cash equivalents is calculated using simplified method (lifetime ECL) while Intercompany debtors adopt the general approach (12 month ECL).

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: that result from expected default events within 12 months of the reporting date; and
- lifetime ECLs: that result from all default events anticipated during the expected life of a financial instrument.

The Company measures loss allowances at an amount equal to lifetime ECLs. The only exception is Cash and cash equivalents and Intercompany positions for which credit risk has not increased significantly since initial recognition, which is measured as 12-month ECLs. The Company has elected to measure loss allowances for Debtors at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Measurement of Expected Credit Loss ("ECL")

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, representing the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

Note 1. General information and principal accounting policies (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events have occurred that have a detrimental impact on estimated future cash flows of the financial asset.

Investment in associates

Investments comprise equity shareholdings. These investments are recorded at historical cost less provision for any impairment in their values. An associate is an entity in which the Company has an interest and, in the opinion of the directors, can exercise significant influence, but not control, over its operating and financial policies. An interest exists where an investment is held on a long-term basis for the purpose of securing a contribution to the Company's activities. Significant influence will generally exist where the Company holds more than 20% and less than 50% of the shareholders' voting rights.

Impairment of subsidiaries, joint ventures and associates

An impairment review is undertaken at each balance sheet date or when events or changes in circumstances indicate that an impairment loss may have occurred. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For non-financial assets, Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Intercompany current accounts

Intercompany current accounts are shown in accordance with the netting agreement, which allows netting of bilateral intercompany balances within entities that are party to the netting agreement.

Intercompany loan

Intercompany loans are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Issued capital

Ordinary shares are classified as equity.

New and revised IFRS in issue and mandatorily effective during the year

Management have reviewed the new and revised IFRS in issue and mandatorily effective during the year. These standards have not had a material impact on the financial statements of the Group in the period of initial application.

New and revised IFRS in issue but not yet effective

Management have reviewed the new and revised IFRS in issue but not yet effective and anticipates these standards will have no material impact on the financial statements of the Company in the period of initial application.

Note 2. Key accounting judgements and sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements, estimates and assumptions in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates, and assumptions and there are no sources of estimation uncertainty that are likely to affect the current or future financial years other than noted below:

As at 31 December 2020 the only such estimates are related to the impairment review of investments (Notes 11 and 12). When considering the investments value in use, net asset values as well as cashflow projections which extend forward to a terminal value and which take account of the approved budget for the coming year have been used. The Company applies a suitable discount factor to the future cash flows based on its weighted average costs of capital at 12.8% (2019: 11.4%), applying rates consistent to all Group related companies. Growth rates are conservatively applied and do not exceed the expected growth in the local economy after the fifth year (Notes 11 and 12).

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Notes to the financial statements
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Note 3. Other operating income

This represents exchange differences arising on transactions in foreign currencies during the year and on the translation at the balance sheet date of assets and liabilities denominated in foreign currencies.

Note 4. Administrative expenses

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Professional fees	8	-
Market data and telecommunications	8	-
Professional fees	-	15
Movement in expected credit loss provision	4,361	102
Other administrative costs	77	(23)
	<u>4,454</u>	<u>94</u>

Fees paid to the Company's auditor, Deloitte LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of its ultimate parent and controlling party as at year end, TP ICAP plc (now known as TP ICAP Limited), included these fees on a consolidated basis.

Fees payable for the audit of the financial statements were £10,286 (2019: £9,797).

Note 5. Directors remuneration

The directors did not receive any remuneration for their services to the Company during the year. (2019: £Nil).

Note 6. Interest receivable and similar income

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Group related company loans	5,932	1,552
Bank deposit	-	2
	<u>5,932</u>	<u>1,554</u>

Note 7. Interest payable and similar expenses

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Group related company loans	<u>16,785</u>	<u>50,470</u>

Note 8. Dividends received

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Dividend income from Subsidiaries	<u>263,442</u>	<u>631,898</u>

ICAP Global Broking Holdings Limited
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Note 9. Impairment of loan owed by Group related company

During the prior year, the Company impaired its loan with ICAP Energy Suisse SA by £1,583,000. ICAP Energy Suisse SA had a net liability position at the end of the prior year, and it was deemed that the loan was irrecoverable. There was no impairment in the current year.

Note 10. Income tax

Analysis of charge for the year:

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Current tax		
UK Corporation tax – current year	(1,982)	(8,211)
Adjustments in respect of prior years - current tax	(3)	98
Adjustments in respect of prior years - deferred tax	-	113
Overseas tax	8	15
Aggregate income tax	(1,977)	(7,985)
Numerical reconciliation of income tax and tax at the statutory rate		
Profit before income tax	39,034	113,868
Tax at the statutory tax rate of 19%	7,416	21,635
Expenses not deductible for tax purposes	40,655	90,215
Non taxable dividends	(50,054)	(120,061)
Overseas tax	8	15
Adjustment in respect of prior years - current tax	(3)	98
Adjustment in respect of prior years - deferred tax	-	113
Income tax	(1,977)	(7,985)
Effective tax rate	(5.1%)	(6.9%)

In the UK, legislation to reduce the corporation tax rate from 20% to 19% from 1 April 2017 and from 19% to 17% from 1 April 2020 was previously enacted. The government subsequently announced that the reduction to 17% would not go ahead, which was enacted accordingly. As at 31 December 2020, UK deferred tax was therefore expected to unwind at a rate of 19%. On 3 March 2021, the UK Government announced a proposed increase in the rate of corporation tax from 19% to 25%, effective from 1 April 2023. The effect of the proposed increase to 25% is not expected to have a material impact on the deferred tax position of the company.

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in equity:		
IFRS 9 Adjustment	1	1
Deferred tax asset	1	1
	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Tax receivable	7,185	6,886

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Note 11. Non-current assets - Investment in subsidiaries

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
As at beginning of the year	1,232,305	-
Transfer from current assets	-	2,283,493
Additions	100,345	120,371
Disposals	(432,431)	(699,066)
Return of capital	(510,961)	-
Impairment	(209,624)	(472,493)
	<u>179,634</u>	<u>1,232,305</u>
As at end of the year		

During the current year, the Company acquired a 100% shareholding in: Prebon Yamane International Limited for £1,673,990, Exco Nominees Limited for £100, Prebon Limited for £11,951,377, Exco Overseas Limited for £47,190,801, Astley & Pearce (International) BV for £169,497, ICAP (Hong Kong) Limited for £11,710,556, TP ICAP Management Services (Hong Kong) Limited for £1,000,850, PVM Oil Associates Pte Ltd for £4,404,569, PVM Oil Futures Pte Ltd for £448,750, Tullett Prebon Money Brokerage (Korea) Ltd for £2,497,112, and Prebon Holdings BV for £4,769,230.

During the current year, the Company acquired the ordinary and preference shares in Tullett Prebon (Hong Kong) Holdings Limited for £12,854,509 and £1,674,000 respectively.

During the current year, the Company disposed of its investments in ICAP Europe Limited, ICAP Energy AS, and ICAP Information Services Limited to a Group related company at book value of £386,365,547, £1,712,404 and £1 respectively.

During the current year, the Company reduced its investment in ICAP Holdings Limited by £510,960,788 following the return of capital, and subsequently disposed of ICAP Holdings Limited to a Group related company at book value of £44,353,002.

During the current year, the Company impaired its investment in Tullett Prebon (Hong Kong) Limited by £3,401,878 and PVM Oil Futures Pte Limited by £227,948, due to a reduction in the profitability of these subsidiaries leading to the valuation of the Company's shareholding being less than book value.

During the current year, the Company impaired its investment in Exco International by £201,167,529 following the receipt of dividends such that the net asset of the subsidiary decreased below the book value held by it in the Company.

During the current year, the Company impaired its investment in Garban Group Holdings Limited ("GGHL") by £4,826,931 due to the value of the net assets of a subsidiary of GGHL, falling below the book value of GGHL's shareholding due to losses made on an investment.

The directors believe that the carrying value of the investments is supported by their underlying net assets. The investments in subsidiary undertakings are stated at cost less impairment.

During the prior year, the Company increased its investment in Exco International Limited by £97,454,000, ICAP Securities Limited by £15,500,000, ICAP Securities (No.1) BV. by £5,705,000 and ICAP Energy AS by £1,712,000.

During the prior year, the Company disposed of its investment in ICAP Securities Limited by £381,384,000 and ICAP Global Broking Finance Limited by £317,682,000.

During the prior year, the Company impaired its investment in Garban Group Holdings Limited by £313,398,000, ICAP America Investments Limited by £157,043,000 and ICAP Securities (No. 1) BV. by £663,000. The impairments were made, following the receipt of dividends from these subsidiaries such that the net assets of the subsidiaries decreased below the book value held by it in the Company. The Company also impaired its investment in iSwap Limited by £1,389,000 due to lower profitability.

In the prior year, investment in subsidiaries were classified from Current assets to Non-current assets following a decision to prepare the financial statements on a Going Concern basis.

ICAP Global Broking Holdings Limited
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Note 11. Non-current assets - Investment in subsidiaries (continued)

Determining whether the carrying value of investment in subsidiaries is impaired requires an estimation of the recoverable amount of each subsidiary. The recoverable amount is the higher of value in use ('VIU') or its Net realisable value ('NRV'). Value in use requires estimation of future cash flows expected to arise, the selection of suitable discount rates and the estimation of future growth rates. Future projections are based on the most recent projections considered by the Board which are used to project future pre-tax cash flows for the next five years. After this period a steady state cash flow is used to derive a terminal value for each subsidiary. Net tangible assets is used as a proxy for NRV.

As at 31 December 2020, effective growth rate varied by location but amounted to a weighted rate of 0.80% per annum over a five year projected period, with effective weighted pre tax discount rate of 12.99%. During the year the carrying value of investments has been impaired by £212,292,000. Further impairment would be required if there are changes to applicable assumptions. A 0.5% increase in the discount rate and a reduction of 20% in the effective growth rates used would increase the impairment charge by £1,076,000.

As at 31 December 2020, the Company held a principal investment in the issued ordinary share capital of the following companies:

Company	Registered Address	Country of incorporation	Percentage directly held	Share class
Altex-ATS Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
Astley & Pearce (International) BV	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands	Netherlands	100.0%	Ordinary
Exco International Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
Exco Nominees Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
Exco Overseas Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
Garban Group Holdings Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
ICAP (Hong Kong) Limited	20/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong	Hong Kong	100.0%	Ordinary
ICAP America Investments Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
ICAP Holdings (Asia Pacific) Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
ICAP Securities (N01) BV	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands	Netherlands	100.0%	Ordinary
iSwap Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	50.1%	Ordinary
Prebon Holdings BV	Telestone 8 - Teleport, Naritaweg 165, Amsterdam, 1043 BW, Netherlands	Netherlands	100.0%	Ordinary
Prebon Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
Prebon Yamane International Limited	135 Bishopsgate, London, EC2M 3TP, England *	England & Wales	100.0%	Ordinary
PVM Oil Associates Pte Ltd	50 Raffles Place #41-00, Singapore Land Tower, 048623, Singapore	Singapore	57.5%	Ordinary

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Note 11. Non-current assets - Investment in subsidiaries (continued)

Company	Registered Address	Country of incorporation	Percentage directly held	Share class
PVM Oil Futures Pte Ltd	50 Raffles Place #41-00, Singapore Land Tower, 048623, Singapore	Singapore	80.0%	Ordinary
TP ICAP Management Services (Hong Kong) Limited	21/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong	Hong Kong	100.0%	Ordinary
Tullett Prebon (Hong Kong) Ltd	21/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong	Hong Kong	100.0%	Ordinary and preference
Tullett Prebon Money Brokerage (Korea) Ltd	6th Floor, Douzone Eulji Tower, 29 Eulji-ro, Joong-gu, Seoul, Korea (the Republic of)	Republic of South Korea	100.0%	Ordinary

* At the year end, the registered address was Floor 2, 155 Bishopsgate, London, England, EC2M 3TQ.

Full details of the Company's undertakings are disclosed on pages 27 to 30.

Note 12. Non-current assets - Investment in joint venture

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Joint venture	<u>1,599</u>	<u>-</u>

During the current year, the Company acquired 49% shareholdings in PT Electronic IDR Exchange and Enmore Commodity Brokers (Shanghai) Limited for £1,020,000 and £579,000 respectively.

Name	Registered office	Country of incorporation	Issued ordinary shares directly held
PT Electronic IDR Exchange	Menara Astra, 11th Floor, Jl. Jend. Sudirman Kav. 5-6, Karet Tengsin District, Tanah Abang Sub-District, Central Jakarta 10220, Indonesia	Indonesia	49%
Enmore Commodity Brokers (Shanghai) Co. Ltd.	Room 720, Building 3, No. 999 Jinzhong Road, Changning District, Shanghai, China	China	49%

ICAP Global Broking Holdings Limited
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Note 13. Non-current assets - Investment in associates

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
As at beginning of the year	417	-
Transfer from current assets	-	850
Additions	-	206
Disposals	(417)	-
Impairment	-	(639)
As at end of the year	<u>-</u>	<u>417</u>

During the current year, the Company disposed of its investment in Zodiac Seven Limited at book value of £417,000.

During the prior year, the Company increased its investment in Zodiac Seven Limited by £206,000.

During the prior year, the Company impaired its investment in Zodiac Seven Limited by £639,000. The impairment was due to a perceived reduction in the future profitability of the investment.

In the prior year, Investment in associate was classified from Current assets to Non-current assets following a decision to prepare the financial statements on a Going Concern basis.

Note 14. Current assets - Debtors

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Other debtors	<u>100</u>	<u>100</u>
Loans owed by Group related companies	405,467	18,789
Subordinated loan owed by Group related company	-	1,600
Amounts owed by Group related companies	350,534	22,884
Expected credit loss	<u>(4,585)</u>	<u>(224)</u>
	<u>751,416</u>	<u>43,149</u>

Loans owed by Group related companies are unsecured, repayable on demand and interest bearing at 3.5% above LIBOR. During the year, the subordinated loan of £1,600,000 was repaid. Amounts owed by Group related companies are unsecured, repayable on demand and non interest bearing.

Note 15. Current assets - Cash and cash equivalents

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Cash at bank and in hand	1,107	352
Expected credit loss	<u>(1)</u>	<u>-</u>
	<u>1,106</u>	<u>352</u>

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Note 16. Current assets - Investment in subsidiaries and associate

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Investment in associate		
As at beginning of the year	-	850
Transfer to Non-current assets	-	(850)
As at the end of the year	<u>-</u>	<u>-</u>

Investment in associate has been classified from Current assets to Non-current assets in the year ended 31 December 2019, following a decision to prepare the financial statements on a Going Concern basis.

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Investment in subsidiaries		
As at beginning of the year	-	2,283,493
Transfer to Non-current assets	-	(2,283,493)
As at the end of the year	<u>-</u>	<u>-</u>

Investment in subsidiaries have been classified from Current assets to Non-current assets in the year ended 31 December 2019, following a decision to prepare the financial statements on a Going Concern basis.

Note 17. Current liabilities - Creditors

	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Loans owed to Group related companies	396,176	758,421
Amounts owed to Group related companies	28,364	39,320
Amounts owed to Joint venture	1,020	-
	<u>425,561</u>	<u>797,741</u>

Loans owed to Group related companies are unsecured, repayable on demand and interest bearing at a rate 3.5% above LIBOR for Sterling and 2.0% above LIBOR for Euro. Amounts owed to Group related companies are unsecured, repayable on demand and non interest bearing.

Note 18. Equity - Issued capital

	As at 31 Dec 2020 Shares	As at 31 Dec 2019 Shares	As at 31 Dec 2020 £'000	As at 31 Dec 2019 £'000
Allotted, issued and fully-paid ordinary shares of £1 each	<u>4</u>	<u>4</u>	<u>-</u>	<u>-</u>

During the prior year, the Company issued two shares to TP ICAP plc for consideration of £15,500,000.

Note 19. Equity - Share premium

The share premium includes the value of the proceeds above nominal on issue of the Company's share capital, comprising £1 ordinary shares.

During the prior year, shares were issued that increased the share premium by £15,500,000.

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Note 20. Equity - Dividends

Dividends paid during the financial year were as follows:

	Year ended 31 Dec 2020 £'000	Year ended 31 Dec 2019 £'000
Dividend paid of £2,724,861 per ordinary share (2019: £31,937,708 per ordinary share)	<u>10,899</u>	<u>127,751</u>

Note 21. Guarantees and contingent liabilities

There are no individual matters, which are considered to pose a significant risk of material adverse financial impact on the Company's results or net assets.

Note 22. Events after the reporting period

In February 2021, the shareholders of TP ICAP plc approved the re-domiciliation of the Group from the UK to Jersey by means of a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 ("the Scheme").

The Scheme became effective on 26 February 2021 and, as a result, TP ICAP Group plc became the new ultimate parent and controlling party of the Group, and TP ICAP Holdings Ltd became the immediate parent of the Company.

Shortly after the Scheme became effective, the former ultimate parent and controlling party of the Group, TP ICAP plc, changed its status to that of a private company and was renamed TP ICAP Limited.

On 2 February 2021, the Company capitalised the sum of £396,489,173 being a proportion of the retained profits of the Company and applied that sum in paying up in full one ordinary share of £1 nominal value and £396,489,172 share premium and allocating that bonus share to TP ICAP plc.

On 2 February 2021, the Company carried out a reduction in share premium and capital. Part of the amount standing to the credit of the share premium account, being £428,473,169, was cancelled and extinguished and the issued share capital was reduced by £4 from £5 (comprising five ordinary shares of £1 each) to £1 (comprising one ordinary share of £1), by cancelling and extinguishing four ordinary shares of £1 each registered in the name of TP ICAP plc; and the combined sum of £428,473,173 arising on the reduction was credited to profit and loss reserves. The Capital Reduction was approved by directors and shareholders on 2 February 2021 and effective on 5 February 2021 when registered at Companies House.

On 19 February 2021, Tullett Prebon Investment Holdings Limited ("TPIHL") sold its interest in TP ICAP Management Services (Singapore) Pte Ltd ("TPIMSS") to the Company, comprising of 6 no par value shares, for £39,018,686. The sale was approved and the SPA executed by the seller and buyer on 19 February 2021. Legal title will not transfer until the transfer is stamped by the Singapore tax authorities and the Company is recorded as the new shareholder in the register of members of TPIMSS. Legal title was confirmed as transferred on 19 March 2021.

On 19 February 2021, the Company sold its interest of 50.1% in iSwap Limited to TPIHL for a total amount of £19,065,084, to be left outstanding on intercompany. The sale was approved and the Share Purchase Agreement executed by the seller and the buyer on 19 February 2021. Legal title does not transfer until the transfer is adjudged exempt from stamp duty by HMRC and TPIHL is recorded as the new shareholder in the register of members of iSwap Limited.

On 23 February 2021, the Company declared a dividend in specie to be paid to TP ICAP plc totalling £412,744,700.

On 17 March 2021, TP ICAP Limited (formerly TP ICAP plc) sold its interests in the Company for £144,433,145 to TP ICAP Group plc. TP ICAP Limited (formerly TP ICAP plc) retains bare legal title to the Company shares as nominee for TP ICAP Group plc. Bare legal title then transfers from nominee to principal for no consideration and no stamp duty which enables ownership change to be registered immediately.

Note 22. Events after the reporting period (continued)

On 18 March 2021, TP ICAP Group plc sold its interests in the Company for £144,433,145 to TP ICAP Holdings Limited. TP ICAP Group plc retains bare legal title to the Company shares as nominee for TP ICAP Group plc. Bare legal title then transfers from nominee to principal for no consideration and no stamp duty which enables ownership change to be registered immediately.

On 7 May 2021, the Company's registered office changed to 135 Bishopsgate, London, EC2M 3TP.

On 23 August 2021, the Company subscribed on incorporation for 200 shares of one yen per share in each of ICAP Energy (Japan) Limited and Tullett Prebon Energy (Japan) Limited. The capital injection received by the two Japanese entities was for a combined amount of £180,000.

On 27 August 2021, PVM Oil Futures Pte Ltd received a capital injection of USD400,000 from the Company for the subscription of 4 shares.

There have been no additional post balance sheet events from 31 December 2020 up to the date of signing which require separate disclosure.

Note 23. Immediate and ultimate parent company

At the year end, the Company's immediate parent was TP ICAP plc (now known as TP ICAP Limited). After the year end and as a result of the Scheme, the Company's shareholding was transferred to TP ICAP Holdings Ltd, which does not prepare consolidated financial statements.

At the year end, the Company's ultimate parent and controlling party was TP ICAP plc (now known as TP ICAP Limited), which is incorporated in the United Kingdom, and headed the largest and smallest group of companies of which the Company is a member. TP ICAP plc prepared consolidated financial statements in accordance with IFRS. Copies of TP ICAP plc financial statements are available from the registered office: 135 Bishopsgate, London, EC2M 3TP..

After the year end and as a result of the Scheme, the Company's ultimate parent and controlling party became TP ICAP Group plc, which is incorporated in Jersey, and now heads the largest and smallest group of companies of which the Company is a member. TP ICAP Group plc will prepare consolidated financial statements in accordance with IFRS. Copies of TP ICAP Group plc financial statements will be available from the registered office: 22 Grenville Street, St Helier, Jersey JE4 8PX.

ICAP Global Broking Holdings Limited
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Direct and indirect subsidiaries, associates and joint ventures

At 31 December 2020, the following companies were the Company's subsidiary undertakings, associates and joint ventures.

Subsidiary undertakings

Name	Country of incorporation and operation	Percentage ordinary shares directly held	Registered office address
Altex-ATS Ltd	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Exco International Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Exco Nominees Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Exco Overseas Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Garban Group Holdings Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP America Investments Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP Holdings (Asia Pacific) Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
iSwap Limited	England and Wales	50.10%	135 Bishopsgate, London, EC2M 3TP, England
Prebon Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Prebon Yamane International Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP (Hong Kong) Limited	Hong Kong	100%	20/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
TP ICAP Management Services (Hong Kong) Limited	Hong Kong	100%	21/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
Tullett Prebon (Hong Kong) Limited	Hong Kong	100%	21/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
Astley & Pearce (International) B.V.	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP Securities (No. 1) B.V.	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
Prebon Holdings B.V.	Netherlands	100%	Telestone 8 - Teleport, Naritaweg 165, Amsterdam, 1043 BW, Netherlands
Tullett Prebon Money Brokerage (Korea) Ltd	Republic of South Korea	100%	6th Floor, Douzone Eulji Tower, 29 Eulji-ro, Joong-gu, Seoul, Korea (the Republic of)

ICAP Global Broking Holdings Limited
Company undertakings
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Name	Country of incorporation and operation	Percentage ordinary shares indirectly held	Registered office address
ICAP African Brokers Limited	Australia	66.32%	Plot 1679, 4th Floor, African Re-Insurance Building, Karimu Kotun Street, Victoria Island, Lagos State, Nigeria
ICAP Brokers Pty Limited	Australia	100%	Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
ICAP Futures (Australia) Pty Ltd	Australia	100%	Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
TP ICAP Management Services (Australia) Pty Limited	Australia	100%	Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
Tullett Prebon (Australia) Pty Limited	Australia	100%	Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
Catrex Limited	British Virgin Islands	100%	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Exco Bierbaum AP Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Garban International	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Garban-Intercapital (2001) Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Garban-Intercapital US Investments (Holdings)	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Garban-Intercapital US Investments (No 1) Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP UK Investments No. 1	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP UK Investments No. 2	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
iSwap Euro Limited	England and Wales	50.10%	135 Bishopsgate, London, EC2M 3TP, England
Tullett Prebon (UK) Limited	England and Wales	100%	135 Bishopsgate, London, EC2M 3TP, England
Astley & Pearce Deutschland GmbH	Germany	100%	Stephanstrasse 14-16, 60313 Frankfurt am Main, Germany
ICAP Limited. & Co. OHG	Germany	99.99%	Stephanstrasse 14-16, 60313 Frankfurt am Main, Germany
Intermoney AP & Co. Geld-und Eurodepotmakler OHG	Germany	74.57%	Stephanstrasse 3, 60313 Frankfurt am Main, Germany
ICAP US Holdings No 1 Limited	Gibraltar & UK Branch	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP US Holdings No 2 Limited	Gibraltar & UK Branch	100%	135 Bishopsgate, London, EC2M 3TP, England
ICAP Securities Hong Kong Limited	Hong Kong	100%	20/F One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
P.T. Inti Tullett Prebon Indonesia	Indonesia	57.52%	Menara Dea, Tower 2, 12th Floor - Suite 1202, Mega Kuningan area, Jalan Mega Kuningan Barat Kav., E4.3 No. 1-2, Jakarta, Indonesia, 12950

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Name	Country of incorporation and operation	Percentage ordinary shares indirectly held	Registered office address
ICAP Totan Securities Co., Ltd.	Japan	60%	Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo, 107-0052, Japan
Tullett Prebon (Japan) Limited	Japan	80%	Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo, 107-0052, Japan
Tullett Prebon ETP (Japan) Limited	Japan	80%	Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo, 107-0052, Japan
ICAP Luxembourg Holdings (No. 1) S.A.R.L.	Luxembourg	100%	17 Boulevard du Prince Henri, L-1724 Luxembourg, Luxembourg
ICAP Luxembourg Holdings (No. 2) S.A.R.L.	Luxembourg	100%	17 Boulevard du Prince Henri, L-1724 Luxembourg, Luxembourg
ICAP US Holdings No.2 Limited - Luxembourg	Luxembourg	100%	17 Boulevard du Prince Henri, L-1724 Luxembourg, Luxembourg
ICAP (Malaysia) Sdn. Bhd	Malaysia	58.30%	802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia
PT ICAP Indonesia	Malaysia	99%	Menara Dea Tower II 12th Floor, Kawasan Mega Kuningan, Jl. Mega Kuningan Barat Kav. E4.3, Jakarta, 12950, Indonesia
Astley & Pearce B.V.	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP Holdings (Nederland) B.V..	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP Investments (Nederland) B.V.	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP Securities (No. 2) B.V.	Netherlands	100%	Coengebouw - Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
iSwap Euro B.V	Netherlands	50.10%	Teleport Towers, 7th Floor, 7th Floor Kingsfordweg 151, Amsterdam, 1043 GR, Netherlands
ICAP New Zealand Limited	New Zealand	100%	Level 12, 36 Customhouse Quay, Wellington, 6000, New Zealand
Tullett Prebon (Phillipines) Inc.	Philippines	51%	14th Floor, RCBC Savings Bank Building, Bonifacio Global City, Taguig, Philippines
Noranda Investments Pte Ltd	Singapore	100%	50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
TP ICAP Holdings (Singapore) Pte Limited	Singapore	100%	50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore

ICAP Global Broking Holdings Limited
Company undertakings
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Name	Country of incorporation and operation	Percentage ordinary shares indirectly held	Registered office address
Garban South Africa (Pty) Limited	South Africa	66.33%	19 Impala Road, Block A GF, Chislehurst, Sandton, 2196, South Africa
ICAP Broking Services South Africa (Pty) Limited	South Africa	66.33%	19 Impala Road, Block A GF, Chislehurst, Sandton, 2196, South Africa
ICAP Holdings South Africa (Pty) Limited	South Africa	66.33%	19 Impala Road, Block A GF, Chislehurst, Sandton, 2196, South Africa
ICAP Securities South Africa (Pty) Limited	South Africa	66.33%	19 Impala Road, Block A GF, Chislehurst, Sandton, 2196, South Africa
ICAP Securities Co., Ltd.	Thailand	100%	No. 55 Wave Place Building, 13th Floor, Wireless Road, Khwaeng Lumpini, Khet Patumwan, Bangkok, 10330, Thailand
Nextgen Holding Co., Ltd.	Thailand	99.90%	No. 55 Wave Place Building, 13th Floor, Wireless Road, Khwaeng Lumpini, Khet Patumwan, Bangkok, 10330, Thailand
iSwap US Inc	United States	50.10%	1209, Orange Street, Wilmington, DE, 19801, United States

Associate undertakings and joint ventures

Name	Country of incorporation and operation	Percentage ordinary shares directly held	Registered office address
Enmore Commodity Brokers (Shanghai) Limited	China	49%	Room 720, Building 3, No. 999 Jinzhong Road, Changning District, Shanghai, China
PT Electronic IDR Exchange	Indonesia	49%	Menara Astra, 11th Floor, Jl. Jend. Sudirman Kav. 5-6, Karet Tengsin District, Tanah Abang Sub-District, Central Jakarta 10220, Indonesia

Name	Country of incorporation and operation	Percentage ordinary shares indirectly held	Registered office address
ICAP IL India Private Limited	India	40%	Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai, 400051, Maharashtra, India
Totan ICAP Co., Ltd.	Japan	40%	7th Floor, Totan Muromachi Building, 4-4-10 Nihonbashi Muromachi, Chuo-ku, Tokyo, 103-0022, Japan
Central Totan Securities Co., Ltd.	Japan	20%	4-4-10, Nihonbashi Muromachi, Chuo-ku, Tokyo 103-0022 Japan