

3  
Registered number: OC315800

## Creditex Brokerage LLP

### Financial Statements

For the Year Ended 31 December 2017



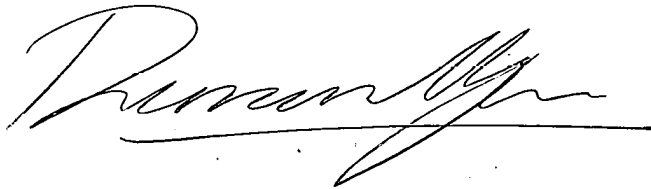
## **Creditex Brokerage LLP**

### **Contents**

	<b>Page</b>
<b>Members' Report</b>	<b>1 - 2</b>
<b>Members' Responsibilities Statement</b>	<b>3</b>
<b>Independent Auditors' Report</b>	<b>4 - 5</b>
<b>Statement of Comprehensive Income</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Reconciliation of Members' Interests</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9 - 16</b>

**Oath of Affirmation**

I, Duncan Moyle affirm that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the form of Creditex Brokerage LLP as at 31 December 2017, are correct.



**D. Moyle**  
For and on behalf of Creditex UK Limited  
Director of Creditex UK Limited

Subscribed and affirmed at London, England on this 27 March 2018.

**IN THE PRESENCE OF:**



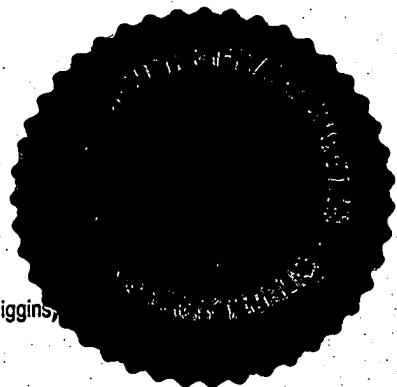
**Notary Public London, England**  
**(Christopher G. Higgins)**

**SAVILLE & CO.**  
Notaries  
One Carey Lane, London EC2V 8AE  
Telephone: +44 (0)20 7920 0000  
Fax: +44 (0)20 7920 0088  
www.savillenotaries.com

**Notary Public London, England (Christopher G. Higgins)**  
**My Commission expires at Death**



**SAVILLE & CO.**  
Notaries  
One Carey Lane  
London EC2V 8AE  
Tel: +44 (0)20 7920 0000



## **Creditex Brokerage LLP**

### **Members' Report For the Year Ended 31 December 2017**

The Members present their annual report together with the audited financial statements of Creditex Brokerage LLP ('the Partnership') for the year ended 31 December 2017.

#### **Principal activities**

The principal activity of the Partnership is to provide electronic trade execution to regulated financial institutions in the UK, certain European countries, the United States, emerging markets and the Asia Pacific area operating in the credit derivatives and fixed income markets. The Partnership also acts as an arranging firm in connection with auctions run by ICE Benchmark Administration Limited in relation to commodities.

The Partnership is authorised by the Financial Conduct Authority ('FCA') to act as a MiFID Investment Firm. The Partnership is also recognised by the Monetary Authority of Singapore as a recognised market operator pursuant to section 8(2) of the Singapore Securities and Futures Act and is registered as an introducing broker with the U.S. Commodity Futures Trading Commission. It is also a member of the National Futures Association. The Partnership is exempted from the requirement to hold an Australian Markets License and Australian Financial Services License for the provision of a trading platform in Australia under the relevant regulations of the Australian Securities and Investment Commission, and is authorised by the Financial Market Supervisory Authority to operate as a foreign alternative trading system in Switzerland.

The Partnership's ultimate parent and controlling entity is Intercontinental Exchange, Inc., ('ICE'), a corporation registered in Delaware, United States.

#### **Designated Members**

The designated members of the Partnership who served during the year were as follows:

- Creditex UK Limited ('the corporate member' and 'the managing member')
- Creditex Brokerage Holdco Limited

#### **Transactions with members**

Each member shall receive, on a monthly basis, a sum as agreed from time to time by the managing member, such amount being 'base drawings'.

The profits shall be allocated amongst the members as follows:

- each member shall be allocated a sum equal to the amount of base drawings received by them;
- the balance of the profits shall be allocated to the corporate member

Share of profits is not linked to the capital contributions made by members. Each member's capital contribution is repayable upon the member's retirement from the Partnership.

Creditex Brokerage Holdco Limited was approved by the managing member, as a member of the Partnership with no capital contribution or base drawings.

#### **Risk management**

Risk is an inherent part of the Partnership's business activity and is managed within the context of the ICE UK Group's business activities by ICE Futures Europe, a fellow subsidiary company. ICE Futures Europe provides services to the ICE UK Group to monitor and manage various types of risks, including market and liquidity risk, through defined policies, procedures and control mechanisms.

Credit risk is the risk that customers will fail to honour their agreed obligations and will fail to perform under their contractual commitments in relation to services provided by the Partnership. The Partnership faces limited direct credit risk, as a high proportion of its revenues are collected by a fellow subsidiary, Creditex Group Inc.

## **Creditex Brokerage LLP**

### **Members' Report (continued) For the Year Ended 31 December 2017**

The partnership has complied with all externally imposed capital requirements.

#### **Results and dividends**

The Partnership exists to support the wider ICE UK Group's business activities. As such, management monitors the Partnership's performance as part of the ICE UK Group as a whole through the compilation and review of various financial and operational key performance indicators.

The Partnership has net assets attributable to members of £1,416,000 (2016: £2,600,000).

#### **Future developments**

From 3 January 2018, the Partnership no longer acts as the matched principal counterparty for bond transactions executed on the Multilateral Trading Facility it operates. This activity is now performed by ICE Markets Limited, an ICE group entity.

The Partnership has applied for Automated Trading Services authorization with the Hong Kong Securities and Futures Commission to offer its Multilateral Trading Facility and clearing screen in Hong Kong.

On 23 June 2016, the UK voted to leave the European Union. The impact of this decision is currently unknown as the UK government is yet to agree the terms and conditions upon which the UK will leave the European Union. Until such time as formal terms are agreed, there is a degree of uncertainty and the impact on the Partnership, if any, is yet to be determined.

#### **Disclosure of information to auditors**

The Members at the time when this Members' Report is approved have confirmed that:

- so far as that Member is aware, there is no relevant audit information of which the Partnership's auditors are unaware, and
- that Member has taken all the steps that ought to have been taken as a Member in order to be aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

#### **Auditors**

Under section 487(2) of the Companies Act 2006, Ernst & Young LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the Members on 27 March 2018 and signed on their behalf by:



D. Moyle

For and on behalf of Creditex UK Limited  
Director of Creditex UK Limited

## **Creditex Brokerage LLP**

### **Members' Responsibilities Statement For the Year Ended 31 December 2017**

The Members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, the Members 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 Partnership and of the profit or loss of the Partnership for that period.

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

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

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and to enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREDITEX BROKERAGE LIMITED LIABILITY PARTNERSHIP ('LLP')**

We have audited the financial statements of Creditex Brokerage LLP for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Reconciliation of Members' Interests, the related notes 1 to 16 and the supplementary information as required by the Commodity Exchange Act (17 CFR 1.10). The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditor**

As explained more fully in the Members' Responsibilities Statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2017 and of its loss for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships 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
- ▶ we have not received all the information and explanations we require for our audit

*Ernst & Young LLP*

*Andrew Gilder (Senior statutory auditor)*

*for and on behalf of Ernst & Young LLP, Statutory Auditor*

*London*

*27 March 2018*



**Creditex Brokerage LLP**

**Statement of Comprehensive Income  
For the Year Ended 31 December 2017**

	Note	2017 £000	As restated 2016 £000
Turnover	2	208	434
<b>Gross profit</b>		<b>208</b>	<b>434</b>
Other operating income	3	90	-
Administrative expenses		(1,082)	(1,348)
Impairment of receivables	8	(471)	-
Decrease/(increase) provision for VAT	12	97	(79)
<b>Operating loss</b>	4	<b>(1,158)</b>	<b>(993)</b>
Interest receivable and similar income		1	2
<b>Profit before tax</b>		<b>(1,157)</b>	<b>(991)</b>
<b>Profit for the year before members' remuneration and profit shares</b>		<b>(1,157)</b>	<b>(991)</b>
Loss for the year before members' remuneration and profit shares		(1,157)	(991)
Members' remuneration recognised as income		1,157	991
<b>Results for the year available for discretionary division among members</b>		<b>-</b>	<b>-</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

Balance Sheet  
As at 31 December 2017

	Note	2017 £000	As restated 2016 £000
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	928	1,461
Cash at bank and in hand	9	1,075	1,820
		<u>2,003</u>	<u>3,281</u>
Creditors: amounts falling due within one year	10	(184)	(181)
<b>Net current assets</b>		<u>1,819</u>	<u>3,100</u>
<b>Total assets less current liabilities</b>		<u>1,819</u>	<u>3,100</u>
<b>Provisions for liabilities</b>			
Other provisions	12	(403)	(500)
		<u>(403)</u>	<u>(500)</u>
<b>Net assets</b>		<u>1,416</u>	<u>2,600</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Members' capital classified as a liability		876	2,060
		<u>876</u>	<u>2,060</u>
<b>Members' other interests</b>			
Other reserves classified as equity		540	540
		<u>540</u>	<u>540</u>
		<u>1,416</u>	<u>2,600</u>
<b>Total members' interests</b>			
Loans and other debts due to members		876	2,060
Members' other interests		540	540
		<u>1,416</u>	<u>2,600</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 27 March 2018.

D. Moyle

For and on behalf of Creditex UK Limited, Director of Creditex UK Limited  
The notes on pages 9 to 16 form part of these financial statements.

**Creditex Brokerage LLP**

**Reconciliation of Members' Interests  
For the Year Ended 31 December 2017**

	<b>EQUITY</b> <b>Members' other</b> <b>interests</b>		<b>DEBT</b> <b>Loans and other debts due to</b> <b>members less any amounts due</b> <b>from members in debtors</b>		<b>Total</b> <b>members'</b> <b>interests</b>	
	<b>Other</b> <b>reserves</b> <b>£000</b>	<b>Total</b> <b>£000</b>	<b>Members'</b> <b>capital</b> <b>classified as a</b> <b>liability</b> <b>£000</b>	<b>Other</b> <b>amounts</b> <b>£000</b>	<b>Total</b> <b>£000</b>	<b>Total</b> <b>£000</b>
<b>Members' interests after profit for the year</b>	<b>540</b>	<b>540</b>	<b>2,250</b>	<b>893</b>	<b>3,143</b>	<b>3,683</b>
Allocated loss for the year	-	-	(190)	(801)	(991)	(991)
Decrease in amounts due to members	-	-	-	(92)	(92)	(92)
<b>Balance at 31 December 2016</b>	<b>540</b>	<b>540</b>	<b>2,060</b>	<b>-</b>	<b>2,060</b>	<b>2,600</b>
<b>Members' interests after profit for the year</b>	<b>540</b>	<b>540</b>	<b>2,060</b>	<b>-</b>	<b>2,060</b>	<b>2,600</b>
Allocated loss for the year	-	-	(1,157)	-	(1,157)	(1,157)
Decrease in amounts due to members	-	-	(27)	-	(27)	(27)
<b>Balance at 31 December 2017</b>	<b>540</b>	<b>540</b>	<b>876</b>	<b>-</b>	<b>876</b>	<b>1,416</b>

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

2016 opening and closing balances have been restated, see note 13.

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ('FRS 102'), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise judgment in applying the Partnership's accounting policies. Certain amounts from prior periods have been reclassified to conform to the current period's presentation. The effect of these reclassifications on our partnership's previously reported financial statements was not material.

The following principal accounting policies have been applied.

**1.2 Disclosure exemptions - FRS 102**

The Partnership has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Intercontinental Exchange, Inc. as at 31 December 2017 and these financial statements may be obtained from [www.theice.com](http://www.theice.com).

**1.3 Going concern**

The members have a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future; thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The managing member has committed to provide financial support if necessary, including the further utilisation of members capital if and when required.

**1.4 Turnover**

Turnover, which represents amounts receivable for brokerage services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes, is recognised as earned, which is typically when broker trades are executed.

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**1. Accounting policies (continued)**

**1.5 Cash at bank**

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition.

**1.6 Financial instruments**

The Partnership only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities.

Debt instruments that are payable or receivable within one year, typically trade receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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

**1.7 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

**1.8 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**1. Accounting policies (continued)**

**1.9 Members' interests and current debts due from members**

Members may subscribe capital to the Partnership based on the partnership deed. The managing member determines the capital contribution required on the admission of new members. Members' capital is repayable at par less any allocated losses, together with other amounts owed, upon retirement from the Partnership. Members may retire from the partnership with less than one year's notice, so these amounts have been classed as current.

Profits and losses are automatically allocated to members and are therefore presented as an expense or income in the period in which the profits or losses arise.

**1.10 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Partnership a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Partnership becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2. Turnover**

Turnover, which is stated net of value added tax, is derived from the continuing business of the Partnership and comprises amounts receivable in respect of services provided in the ordinary course of the Partnership's operations. The turnover is from one class of business with the geographical markets of the United Kingdom and Singapore.

**3. Other operating income**

	2017 £000	2016 £000
Release of accrual for payments to members	90	-
	<u>90</u>	<u>-</u>

**4. Operating loss**

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

	2017 £000	2016 £000
Exchange differences	66	(445)
	<u>66</u>	<u>(445)</u>

## Creditex Brokerage LLP

### Notes to the Financial Statements For the Year Ended 31 December 2017

#### 5. Auditors' remuneration

	2017 £000	2016 £000
Fees payable to the Partnership's auditor and its associates for the audit of the Partnership's annual accounts	67	65
Fees payable to the Partnership's auditor and its associates in respect of all other services	11	11

#### 6. Employees

The entity has no employees.

#### 7. Information in relation to members

	2017 Number	2016 Number
Average number of members during the year	2	2
	2017 £000	As restated 2016 £000
Average member's remuneration during the year	(1,157)	(991)

#### 8. Debtors

	2017 £000	2016 £000
Amounts owed by group undertakings	911	13
Other debtors	17	502
Prepayments and accrued income	-	135
Security deposit	-	811
	928	1,461

During the year the Partnership impaired £471,000 of amounts receivable classified as other debtors based on a recoverability assessment of these balances.

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**9. Cash and cash equivalents**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<b>1,075</b>	<b>1,820</b>
	<b>1,075</b>	<b>1,820</b>

**10. Creditors: Amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	-	4
Amounts owed to group undertakings	<b>96</b>	<b>26</b>
Accruals	<b>88</b>	<b>151</b>
	<b>184</b>	<b>181</b>

All creditors are unsecured; there are no liabilities subordinated to the claims of general creditors (2016: nil).

**11. Financial instruments (excluding balances with members)**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	<b>1,985</b>	<b>3,114</b>
	<b>1,985</b>	<b>3,114</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>(183)</b>	<b>(93)</b>
	<b>(183)</b>	<b>(93)</b>

Risk is an inherent part of the Partnership's business activity and is managed within the context of the ICE UK Group's business activities. The ICE UK Group monitors and manages various types of risks, including market and liquidity risk, through defined policies, procedures and control mechanisms.



## Creditex Brokerage LLP

### Notes to the Financial Statements For the Year Ended 31 December 2017

#### 12. Provisions

	Other provisions £000
At 1 January 2017	500
Charged to profit or loss	(97)
<b>At 31 December 2017</b>	<b>403</b>

The Partnership has recognised provisions for future expected VAT related payments, including interest and penalties of £73,000. The Company expects to settle these amounts during 2018.

#### 13. Restatements

During the year the Partnership's balance sheet was reviewed and it was identified that certain provisions in relation to VAT had not been made in prior years where a liability existed. The overall effect of these restatements are summarised below:

	As previously reported £000	Effect of prior period restatement £000	Reported as restated £000
<b>Balance Sheet</b>			
<b>As at 31 December 2016</b>			
Assets	3,281	-	3,281
Liabilities	(181)	(500)	(681)
Loans and other debts due to members	2,560	(500)	2,060
Members' other interests	540	-	540
Impact on total equity		(500)	
<b>Balance Sheet</b>			
<b>As at 31 December 2015</b>			
Assets	4,291	-	4,291
Liabilities	(187)	(421)	(608)
Loans and other debts due to members	3,564	(421)	3,143
Members' other interests	540	-	540
Impact on total equity		(421)	

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

	As previously reported £000	Effect of prior period restatement £000	Reported as restated £000
<b>Statement of Comprehensive Income For the year ended 31 December 2016</b>			
Turnover	434	-	434
<b>Gross profit</b>	434	-	434
Other operating income	-	-	-
Administrative expenses	(1,348)	-	(1,348)
Impairment of receivables	-	-	-
Decrease/(increase) provision for VAT	-	(79)	(79)
<b>Operating loss</b>	(914)	(79)	(993)
Interest receivable and similar income	2	-	2
<b>Profit before tax</b>	(912)	(79)	(991)
Members' remuneration recognised as income	912	79	991

**14. Ultimate parent undertaking and controlling party**

The Partnership is controlled by Creditex UK Limited, a company incorporated and registered in England and Wales. The ultimate parent company and controlling entity is Intercontinental Exchange, Inc., a corporation registered in Delaware, United States.

The Partnership's financial statements have been included in the group financial statements of the ultimate parent company, Intercontinental Exchange, Inc.

The group financial statements of Intercontinental Exchange, Inc., may be obtained from the website [www.intercontinentalexchange.com](http://www.intercontinentalexchange.com) and copies of the financial statements of Intercontinental Exchange, Inc. can be obtained at 5560 New Northside Dr, 6th Floor, Atlanta, Georgia, U.S.A. 30328.

**15. Registered office**

The registered office of the Partnership is:

Milton Gate  
60 Chiswell Street  
London  
EC1Y 4SA  
United Kingdom

**Creditex Brokerage LLP**

**Notes to the Financial Statements  
For the Year Ended 31 December 2017**

**16. Pillar 3 Disclosures**

The Partnership is authorised by the UK Financial Conduct Authority and is required under the applicable regulations to publish its 'Pillar 3 Disclosures'. These can be found at the following website:  
<https://www.theice.com/publicdocs/creditex/Pillar3.pdf>, in the case of the Partnership.

## Schedule I

### Creditex Brokerage LLP

#### Statement of the Computation of the Minimum Capital Requirements as at 31 December 2017

	2017 £000	2017 \$000*
Current assets	1,075	1,452
Total liabilities	(587)	(793)
Net Capital	<u>488</u>	<u>659</u>
Charges against net capital		(12)
Total charges		<u>(12)</u>
Adjusted net capital		647
Minimum dollar amount		(45)
Excess net capital		<u><u>602</u></u>
Reconciling items between audited Net Capital Computation and unaudited filing:		
Decrease in provisions for tax liabilities		(287)
Excess net capital per unaudited filing		<u><u>315</u></u>

\* GBP:USD forex rate 31/12/17 1.351

## Schedule II

### Creditex Brokerage LLP

#### Reconciliation of the Balance Sheet to the Statement of the Computation of the Minimum Capital Requirements as at 31 December 2017

	2017 £000	2017 \$000*
Total assets per statement of financial condition (balance sheet)	2,003	2,706
Deductions: Assets not allowed as net capital under section 1.17 of the regulations under the Commodity Exchange Act (Cash at bank and in hand and Other amounts due from members)	<u>(928)</u>	<u>(1,254)</u>
Current assets under CFTC Regulation 1.17	<u>1,075</u>	<u>1,452</u>
Total liabilities per statement of financial condition (balance sheet)	(587)	(793)
Other amounts due to members (balance sheet)	-	-
Liabilities under CFTC Regulation 1.17	<u>(587)</u>	<u>(793)</u>

\* GBP:USD forex rate 31/12/17 1.351

**Supplementary Report of Independent Registered Public Accounting Firm  
on Internal Control Required by CFTC Regulation 1.16**

**The Members and Management of Creditex Brokerage LLP**

In planning and performing our audit of the financial statements of Creditex Brokerage LLP (the Partnership) as of and for the year ended 31 December 2017, in accordance with International Standards on Auditing (United Kingdom & Ireland), we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control.

Also, as required by Regulation 1.16 of the Commodity Futures Trading Commission (CFTC), we have made a study of the practices and procedures followed by the Partnership, including consideration of control activities for safeguarding customer and firm assets. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the periodic computations of minimum financial requirements pursuant to Regulation 1.17. Because the Partnership is an introducing broker, we did not review the practices and procedures followed by the Partnership in making the following:

1. The daily computations of the segregation requirements of Section 4d(a)(2) of the Commodity Exchange Act and the regulations thereunder, and the segregation of funds based on such computations
2. The daily computations of the foreign futures and foreign options secured amount requirements pursuant to Regulation 30.7 of the CFTC

The management of the Partnership is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraphs. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the CFTC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Partnership has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Regulation 1.16(d)(2) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A significant deficiency is a

deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, we identified certain deficiencies in internal control that we consider to be significant deficiencies, and communicated them in writing to management and those charged with governance on 26 March 2018.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the CFTC to be adequate for their purposes in accordance with the Commodity Exchange Act and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Partnership's practices and procedures, as described in the second paragraph of this report, were adequate at 31 December 2017, to meet the CFTC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the CFTC, the National Futures Association and other regulatory agencies that rely on Regulation 1.16 of the CFTC in their regulation of registered introducing brokers, and is not intended to be and should not be used by anyone other than these specified parties.

*Ernst & Young LLP*  
Ernst & Young LLP

27 March 2018