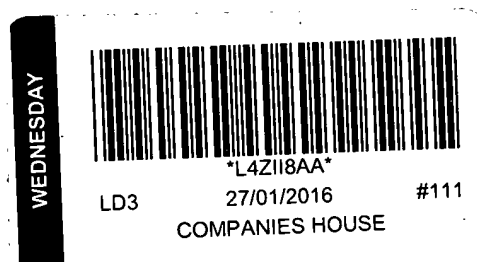


# City Of London Markets Limited

Annual Report

For the year ended 30 September 2015



# City Of London Markets Limited

## Company Information

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**Directors**

J Douglas  
A Turtle (Appointed 8 July 2015)  
B Jenkins (Appointed 8 July 2015)

**Secretary**

J Douglas

**Company number**

08329071

**Registered office**

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Auditors**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

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# City of London Markets Limited

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# City Of London Markets Limited

## Strategic Report

For the year ended 30 September 2015

The directors present the strategic report and financial statements for the year ended 30 September 2015.

### Review of the business

The principal activity of the company in the period under review continued to be that of an advisory stockbroker and investment management firm.

During the year revenue increased to £25,674 (2014: £2,041) and the director expects that turnover will increase further in the next reporting period and that prospects for the company going forward are good now that its foundations have been put in place. The company generated a loss of £25,928 (2014: £52,650) during the year, with cash at bank at the balance sheet date of £1,396 (2014: £16,423).

### Principal risks and uncertainties

FCA compliance and regulations are a key risk for the business and the company continues to comply with all requirements. The company employs an external compliance consultant to assist in all regulatory matters.

The company has been affected in previous periods by the downturn in the worldwide economy and by fierce competition, but the director is confident that the company can develop out of these difficult conditions and trade successfully.


The company is trying at all times to minimise its exposure to risk, which includes; the risk of lower demand for services and difficulty in attracting and retaining customers. To ensure that service levels can be maintained the company has invested heavily in the infrastructure for client sign up.

### Key performance indicators (KPI)

The director considers turnover and FCA capital resources as the most important KPIs. Turnover for the year ended 30 September 2015 increased to £25,674 (2014: £2,041) as a result of new business following FCA authorisation.

The company's FCA capital resources at the balance sheet date were £41,955 (2014: £32,883), compared to a capital requirement of €50,000.

On behalf of the board

  
J Douglas  
Director  
12/1/2016

# City Of London Markets Limited

## Directors' Report

For the year ended 30 September 2015

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The directors present their report and financial statements for the year ended 30 September 2015.

In accordance with s414C(11) of the Companies Act 2006, the information relating to future developments and financial risk management are included in the Strategic Report.

### Results and dividends

The results for the year are set out on page 6.

### Directors

The following directors have held office since 1 October 2014:

J Douglas	
A Turtle	(Appointed 8 July 2015)
B Jenkins	(Appointed 8 July 2015)

### Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

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

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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# City Of London Markets Limited

## Directors' Report (Continued)


For the year ended 30 September 2015

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### Pillar 3 disclosures

Details of the company's unaudited Pillar 3 disclosures required under section II of the FCA's Prudential Sourcebook for Banks, Building Societies and Investment Firms (BIPRU), can be found at the following website: [www.cityoflondonmarkets.com](http://www.cityoflondonmarkets.com).

On behalf of the board

  
J Douglas  
Director  
13/11/2016

# City Of London Markets Limited

## Independent Auditors' Report to the Members of City Of London Markets Limited

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We have audited the financial statements of City of London Markets Limited for the year ended 30 September 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

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 auditors' 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.

### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 company's affairs as at 30 September 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## City Of London Markets Limited

### Independent Auditors' Report to the Members of City Of London Markets Limited (Continued)

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#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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

*Kingston Smith LLP*

Thomas Moore (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP

*18 January 2016*

Chartered Accountants  
Statutory Auditor

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD



# City Of London Markets Limited

## Profit and Loss Account

For the year ended 30 September 2015

	Notes	2015 £	2014 £
Turnover	2	25,674	2,041
Cost of sales		(1,070)	(2,104)
Gross profit/(loss)		24,604	(63)
Administrative expenses		(50,430)	(52,582)
Operating loss	3	(25,826)	(52,645)
Interest payable and similar charges	4	(102)	(5)
Loss on ordinary activities before taxation		(25,928)	(52,650)
Tax on loss on ordinary activities	5		
Loss for the year	10	(25,928)	(52,650)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.


# City Of London Markets Limited

## Balance Sheet

As at 30 September 2015

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	6		721		496
<b>Current assets</b>					
Debtors	7	48,251		23,193	
Cash at bank and in hand		1,396		16,423	
		<u>49,647</u>		<u>39,616</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(8,413)</u>		<u>(7,229)</u>	
<b>Net current assets</b>			<u>41,234</u>		<u>32,387</u>
<b>Total assets less current liabilities</b>			<u>41,955</u>		<u>32,883</u>
<b>Capital and reserves</b>					
Called up share capital	9		148,000		113,000
Profit and loss account	10		(106,045)		(80,117)
<b>Shareholders' funds</b>	11		<u>41,955</u>		<u>32,883</u>

Approved by the Board and authorised for issue on 13/1/16

  
J. Douglas  
Director

Company Registration No. 08329071

# City Of London Markets Limited

## Cash Flow Statement

For the year ended 30 September 2015

	£	2015 £	£	2014 £
<b>Net cash outflow from operating activities</b>		(14,431)		(25,328)
Interest paid	(102)		(5)	
		(102)		(5)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(465)		(496)	
<b>Net cash outflow for capital expenditure</b>		(465)		(496)
<b>Net cash outflow before management of liquid resources and financing</b>		(14,998)		(25,829)
<b>Decrease in cash in the year</b>		(14,998)		(25,829)

# City Of London Markets Limited

## Notes to the Cash Flow Statement

For the year ended 30 September 2015

<b>1 Reconciliation of operating loss to net cash inflow from operating activities</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Operating loss	(25,826)	(52,645)
Depreciation of tangible assets	240	-
Loan converted into capital	35,000	63,000
Increase in debtors	(25,058)	(23,193)
Increase/(decrease) in creditors within one year	1,213	(12,490)
<b>Net cash outflow from operating activities</b>	<b>(14,431)</b>	<b>(25,328)</b>

<b>2 Analysis of net funds</b>	<b>1 October 2014</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>30 September 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:				
Cash at bank and in hand	16,423	(15,027)	-	1,396
Bank overdrafts	(29)	29	-	-
<b>Net funds</b>	<b>16,394</b>	<b>(14,998)</b>	<b>-</b>	<b>1,396</b>

<b>3 Reconciliation of net cash flow to movement in net funds</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Decrease in cash in the year	(14,998)	(25,829)
<b>Movement in net funds in the year</b>	<b>(14,998)</b>	<b>(25,829)</b>
Opening net funds	16,394	42,223
<b>Closing net funds</b>	<b>1,396</b>	<b>16,394</b>

# City Of London Markets Limited

## Notes to the Financial Statements

For the year ended 30 September 2015

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

##### Going concern

During the period the company made a loss of £25,928 and had net assets of £41,955. Whilst the business is still in its development phase and the board of directors continue to pursue new clients, the company is reliant on continued financial support from one of the directors.

The directors have received written assurances that further working capital will be provided so as not to jeopardise the going concern status of the company nor to prejudice the interests of creditors and to ensure the FCA Capital Resources Requirement is met. For this reason the directors continue to prepare the financial statements on a going concern basis.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for investment management and stockbroking services.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	4 years straight line
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#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

# City Of London Markets Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2015

<b>3</b>	<b>Operating loss</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Operating loss is stated after charging:		
	Depreciation of tangible assets	240	38
	Loss on foreign exchange transactions	36	38
	Operating lease rentals	9,720	9,036
	Auditors' remuneration	7,031	7,749
	Auditors' remuneration for regulatory services	1,803	1,301
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	102	5
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Taxation</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Total current tax</b>	<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(25,928)	(52,650)
		<u>          </u>	<u>          </u>
	<i>Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 20.00%)</i>	(5,186)	(10,530)
		<u>          </u>	<u>          </u>
	Effects of:		
	Tax losses carried forward	5,186	10,530
		<u>          </u>	<u>          </u>
		5,186	10,530
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the year</b>	<u>          </u>	<u>          </u>

The company has estimated losses of £ 106,000 (2014 - £ 80,000) available for carry forward against future trading profits.

No deferred tax asset has been recognised in respect of the losses incurred as a result of the uncertainty surrounding future profitability.

# City Of London Markets Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2015

### 6 Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
At 1 October 2014	496
Additions	465
	<u>961</u>
At 30 September 2015	
<b>Depreciation</b>	
At 1 October 2014	
Charge for the year	240
	<u>240</u>
At 30 September 2015	
<b>Net book value</b>	
At 30 September 2015	721
At 30 September 2014	<u>496</u>

### 7 Debtors

	2015 £	2014 £
Trade debtors	1,623	
Other debtors	46,628	23,193
	<u>48,251</u>	<u>23,193</u>

### 8 Creditors: amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts		29
Trade creditors	1,093	
Accruals and deferred income	7,320	7,200
	<u>8,413</u>	<u>7,229</u>

# City Of London Markets Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2015

9 Share capital	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
148,000 ordinary shares of £1 each	148,000	113,000

On 27 March 2015 25,000 ordinary shares of £1 each were issued at par and on 28 September 2015 a further 10,000 ordinary shares of £1 each were issued at par. Both share issues were satisfied by converting the director's loan account into share capital.

10 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 October 2014	(80,117)
Loss for the year	(25,928)
Balance at 30 September 2015	(106,045)

11 Reconciliation of movements in Shareholders' funds	2015 £	2014 £
Loss for the financial year	(25,928)	(52,650)
Proceeds from issue of shares	35,000	63,000
Net addition to shareholders' funds	9,072	10,350
Opening Shareholders' funds	32,883	22,533
Closing Shareholders' funds	41,955	32,883

## 12 Employees

### Number of employees

There were no employees during the year apart from the directors.

## 13 Control

The controlling party is director and shareholder, J Douglas, by virtue of his 100% holding in the company.



# City Of London Markets Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2015

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### **14 Related party relationships and transactions**

At the period end J Douglas, a director, owed the company £46,628 (2014: £23,193). No interest is charged on this amount and there are no fixed repayment terms.

During the year the director paid administrative costs of £18,473 (2014: £19,513) on behalf of the company.