

City of London Markets Limited

Annual Report
For the year ended 30 September 2014

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Company Registration No. 08329071 (England and Wales)

City Of London Markets Limited

Company Information

Director	J Douglas
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

City Of London Markets Limited

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City Of London Markets Limited

Strategic Report

For the Year ended 30 September 2014

The director presents the strategic report and financial statements for the year ended 30 September 2014.

Review of the Business

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

During the year the company obtained its Financial Conduct Authority (FCA) authorisation and generated its first revenue during the second half of the year. As a result revenue increased to £2,041 (2013: £Nil) and the director expects that turnover will increase in the next reporting period and that prospects for the company going forward are good. The company generated a loss of £52,650 (2013: £27,467) during the year, with cash at bank at the balance sheet date of £16,423 (2013: £42,223).

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 2014 increased by 100% to £2,041 (2013: £Nil) as a result of new business following FCA authorisation.

The company's FCA capital resources at the balance sheet date were £32,883 (2013: £22,533), compared to a capital requirement of €50,000.

On behalf of the board



J Douglas
Director

23/1/2015

City Of London Markets Limited

Director's Report

For the Year ended 30 September 2014

The director presents his report and financial statements for the year ended 30 September 2014.

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.

Director

The following director has held office since 1 October 2013:

J Douglas

Auditors

Kingston Smith LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006. The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

City Of London Markets Limited

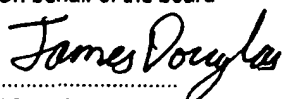
Director's Report (Continued)

For the Year ended 30 September 2014

Pillar 3 disclosures

Details of the company's unaudited Pillar 3 disclosures required under section 11 of the FCA's Prudential Sourcebook for Banks, Building Societies and Investment Firms (BIPRU), can be found at the following website: www.cityoflondonmarkets.com

On behalf of the board



J Douglas
Director

23/11/2015

City Of London Markets Limited

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

We have audited the financial statements of City of London Markets Limited for the year ended 30 September 2014 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 director and auditors

As explained more fully in the Director's Responsibilities Statement, the director is 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 director; 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 2014 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.

Other matter

The corresponding figures in the financial statements of City of London Markets Limited were not audited as the company did not require a statutory audit under the Companies Act 2006 in the prior year.

City Of London Markets Limited

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Director's 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:

- 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.



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

23 January 2015

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 2014

		Year ended 30 September 2014 £	Period ended 30 September 2013 £
	Notes		
Turnover	2	2,041	-
Cost of sales		(2,104)	-
Gross loss		(63)	-
Administrative expenses		(52,582)	(27,466)
Operating loss	3	(52,645)	(27,466)
Interest payable and similar charges	4	(5)	(1)
Loss on ordinary activities before taxation		(52,650)	(27,467)
Tax on loss on ordinary activities	5	-	-
Loss for the year	10	(52,650)	(27,467)

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 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	6		496		-
Current assets					
Debtors	7	23,193		-	
Cash at bank and in hand		16,423		42,223	
		39,616		42,223	
Creditors: amounts falling due within one year	8	(7,229)		(19,690)	
Net current assets			32,387		22,533
Total assets less current liabilities			32,883		22,533
Capital and reserves					
Called up share capital	9		113,000		50,000
Profit and loss account	10		(80,117)		(27,467)
Shareholders' funds	11		32,883		22,533

Approved by the director and authorised for issue on 23/11/2015

James Douglas

J Douglas
Director

Company Registration No. 08329071

City Of London Markets Limited

Cash Flow Statement

For the Year ended 30 September 2014

	Year ended 30 September 2014	Period ended 30 September 2013
	£	£
Net cash outflow from operating activities	(151,328)	(57,776)
Interest paid	(5)	(1)
Net cash outflow for returns on investments and servicing of finance	(5)	(1)
Capital expenditure		
Payments to acquire tangible assets	(496)	-
Net cash outflow for capital expenditure	(496)	-
Net cash outflow before management of liquid resources and financing	(151,829)	(57,777)
Financing		
Net cash inflow from financing	-	-
Decrease in cash in the year	(25,829)	42,223

City Of London Markets Limited

Notes to the Cash Flow Statement

For the Year ended 30 September 2014

1 Reconciliation of operating loss to net cash inflow from operating activities		2014	2013
		£	£
Operating loss		(52,645)	(27,466)
Loan converted into capital		(63,000)	(50,000)
Increase in debtors		(23,193)	-
(Decrease)/Increase in creditors within one year		(12,490)	19,690
Net cash outflow from operating activities		(151,328)	(57,776)

2 Analysis of net funds	1 October 2013	Cash flow	Other non-cash changes	30 September 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	42,223	(25,800)	-	16,423
Bank overdrafts	-	(29)	-	(29)
Net funds	42,223	(25,829)	-	16,394

3 Reconciliation of net cash flow to movement in net funds		2014	2013
		£	£
(Decrease)/increase in cash in the year		(25,829)	42,223
Movement in net funds in the year		(25,829)	42,223
Opening net funds		42,223	-
Closing net funds		16,394	42,223

City Of London Markets Limited

Notes to the Financial Statements

For the Year ended 30 September 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Going Concern

Since obtaining FCA authorisation on 1 October 2013 the director has actively pursued new clients and injected further working capital to ensure the company can meet its liabilities as they fall due, and has also obtained written assurances that further financial support is available if required. On this basis, the financial statements have been drawn up on a going concern basis.

The company is still in its development stage and, having only received FCA authorisation on 1 October 2013, was unable to generate a significant level of income during the period. However, since authorisation the director has been actively pursuing potential new clients and forecasts show the company is expected to be profitable in the year to September 2015.

The director injected further working capital during the period to ensure the company could meet its liabilities as they fell due, and is committed to recapitalising the company if and when required to ensure it can meet its FCA capital resource requirement of €50,000.

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 & stockbroker services net of VAT.

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	25% 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.

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Notes to the Financial Statements (Continued)

For the Year ended 30 September 2014

2 Turnover

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

3 Operating loss	2014 £	2013 £
Operating loss is stated after charging:		
Loss on foreign exchange transactions	38	452
Operating lease rentals	9,036	10,309
Auditors' remuneration	7,749	-
Auditors' remuneration for regulatory services	1,301	-
	<u> </u>	<u> </u>

4 Interest payable	2014 £	2013 £
On bank loans and overdrafts	5	1
	<u> </u>	<u> </u>

5 Taxation	2014 £	2013 £
Total current tax	-	-
	<u> </u>	<u> </u>
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(52,650)	(27,467)
	<u> </u>	<u> </u>
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 20.00%)	(10,530)	(5,493)
	<u> </u>	<u> </u>
Effects of:		
Tax Losses Carried Forward	10,530	5,493
	<u> </u>	<u> </u>
	10,530	5,493
	<u> </u>	<u> </u>
Current tax charge for the period	-	-
	<u> </u>	<u> </u>

The company has estimated losses of £ 80,000 (2013 - £ 28,000) 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 2014

6 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 October 2013	-
Additions	496
At 30 September 2014	<u>496</u>
Depreciation	
At 1 October 2013 & at 30 September 2014	<u>-</u>
Net book value	
At 30 September 2014	<u><u>496</u></u>

7 Debtors

	2014 £	2013 £
Other debtors	<u>23,193</u>	<u>-</u>

8 Creditors: amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	29	-
Other creditors	-	17,710
Accruals and deferred income	7,200	1,980
	<u>7,229</u>	<u>19,690</u>

City Of London Markets Limited

Notes to the Financial Statements (Continued)

For the Year ended 30 September 2014

9 Share capital	2014	2013
	£	£
Allotted, called up and fully paid		
113,000 ordinary of £1 each	113,000	50,000

On 31 March 2014 30,000 ordinary shares of £1 each were issued at par and on 29 September 2014 a further 33,000 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 2013	(27,467)
Loss for the period	(52,650)
Balance at 30 September 2014	(80,117)

11 Reconciliation of movements in shareholders' funds	2014	2013
	£	£
Loss for the financial year	(52,650)	(27,467)
Loans converted to capital	63,000	50,000
Net addition to shareholders' funds	10,350	22,533
Opening shareholders' funds	22,533	-
Closing shareholders' funds	32,883	22,533

12 Employees

Number of employees

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

13 Control

The controlling party is the 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 2014

14 Related party relationships and transactions

At the period end the director, J Douglas, owed the company £23,193 (2013: company owed the director £17,710). No interest is charged on this amount and there are no fixed repayment terms.

During the year the director paid administrative costs of £19,513 (2013: £20,513) on behalf of the company.