Registered Company Number : 9362568

EUROCLEAR MARKET SOLUTIONS LIMITED

Directors' Report and Financial Statements for the year ended 31 December 2017

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DIRECTORS' REPORT

The directors present the report and the audited financial statements of Euroclear Market Solutions Limited (EMS or 'the Company') for the year ended 31 December 2017. The Company is a limited liability company and is domiciled and incorporated in the United Kingdom. The address of its registered office is 33 Cannon Street, London EC4M 5SB. EMS is a wholly owned subsidiary of Euroclear SA/NV.

Principal activities and future developments

The Company was created in 2014 to offer the SetClaim service to enable banks, brokers and their counterparts to agree and settle payable and receivable obligations that arise in the course of their operational activities. The solution offers a high level of automation to a traditionally manual process.

The Company launched the SetClaim application in 2015 and focused in 2016 and 2017 on the roll-out of the SetClaim services to clients. Despite client interest, the service has however not gained sufficient traction in the market. In November 2017, the Board approved the decision to cease trading and has decided to put the Company into voluntary liquidation within the next twelve months.

The Directors no longer regard the going concern basis of accounting to be appropriate, and the financial statements of the company have been prepared on a basis other than going concern.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Michael Shipton (Chairman)
Fabien Debarre

Ms Jennifer Parker acted as Company Secretary with effect from 1 April 2017 and was formally appointed from September 2017. Mrs Daksha Hirani resigned as Company Secretary in March 2017.

Employees

The Company had 1 employee until the end of November 2017.

Financial risk management

The exposure of EMS to credit risk, liquidity risk and foreign exchange risk are discussed in note II of the financial statements.

Political donations

The Company made no political donations during the year (2016: nil).

Insurance of directors

The Company maintains insurance for directors in respect of their duties as directors of EMS.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 of information to auditors

In accordance with the provisions of Section 418 of the Companies Act 2006, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP has held office in accordance with Section 487 of the Companies Act 2006 for the 2017 financial year. Following a rigorous tender process conducted by the Euroclear PLC Audit Committee, Deloitte LLP will assume the role as independent auditors for the Euroclear PLC Group, of which the Company is a member, for the year ending 31 December 2018.

On behalf of the Board

Michael Shipton
Chairman of the Board
23 March 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROCLEAR MARKET SOLUTIONS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Euroclear Market Solutions Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the statement of comprehensive income for the year ended, the statement of cash flows for the year ended, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note I to the financial statements concerning the basis of preparation. Management intends to place the company into liquidation within the next 12 months. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note I to the financial statements. Adjustments have been made in these financial statements to reduce assets to their realisable values.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Sheena Coutinho (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 March 2018

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

(€)	Note	2017	2016
Administrative expenses	III	(1,129,106)	(1,007,622)
Net (losses)/gains on foreign exchange		(23,699)	1,532
Other operating income	XI	231,818	221,455
Operating loss		(920,987)	(784,635)
Finance income and costs			
Interest and similar income		-	-
Loss before income tax		(920,987)	(784,635)
Income tax (expense)/income	IV	(212,917)	135,774
Loss and total comprehensive expense for the year		**(1,133,904)**	**(648,861)**

The total comprehensive expense for the year is all attributable to continuing operations.

The total comprehensive expense for the year is attributable to the owners of the parent company.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

(€)	Note	2017	2016
Assets			
Non-current assets			
Deferred tax assets	V	-	371,304
Total non-current assets		-	**371,304**
Current assets			
Trade and other receivables	VI	202,362	44,974
Cash and cash equivalents	VII	599,808	497,790
Total current assets		**802,170**	**542,764**
Total assets		**802,170**	**914,068**
Equity			
Share capital	VIII	3,500,000	1,900,000
Accumulated losses		(2,770,877)	(1,636,973)
Total equity		**729,123**	**263,027**
Current liabilities			
Trade and other payables	IX	73,047	651,041
Total current liabilities		**73,047**	**651,041**
Total liabilities		**73,047**	**651,041**
Total equity and liabilities		**802,170**	**914,068**

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the board of directors on 23 March 2018 and authorised for issue on that date.

Signed on behalf of the Board

Michael Shipton
Chairman of the Board
23 March 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

(€)	Note	2017	2016
Loss before income tax		**(920,987)**	**(784,635)**
Adjustments for:			
Other non-cash movements		158,387	21
Changes in working capital:			
- Trade and other receivables	VI	(157,388)	129,749
- Trade and other payables	IX	(577,994)	331,869
Cash used in operating activities		**(1,497,982)**	**(322,996)**
Tax paid		-	-
Net cash used in operating activities		**(1,497,982)**	**(322,996)**
Cash flow generated from financing activities			
Proceeds from issuance of ordinary shares	VIII	1,600,000	-
Net cash generated from financing activities		**1,600,000**	**-**
Net increase/(decrease) in cash and cash equivalents		**102,018**	**(322,996)**
Cash and cash equivalents at beginning of year		**497,790**	**820,786**
Cash and cash equivalents at end of year	VII	**599,808**	**497,790**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

(€)		Share capital	Accumulated losses	Total Equity
Balance as at 1 January 2017		**1,900,000**	**(1,636,973)**	**263,027**
Issuance of ordinary shares	VIII	1,600,000	-	1,600,000
Loss and total comprehensive expense for the year		-	(1,133,904)	(1,133,904)
Balance as at 31 December 2017		**3,500,000**	**(2,770,877)**	**729,123**

(€)	Share capital	Accumulated losses	Total Equity
Balance as at 1 January 2016	1,900,000	(988,112)	911,888
Loss and total comprehensive expense for the year	-	(648,861)	(648,861)
Balance as at 31 December 2016	**1,900,000**	**(1,636,973)**	**263,027**

The total equity is attributable to the owners of the parent company.

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of significant accounting policies

1. General information

The company is a limited company with fully paid up ordinary shares and is domiciled and incorporated in the United Kingdom. It is limited with fully paid up ordinary shares. The address of its registered office is 33 Cannon Street, London, EC4M 5SB.

2. Accounting policies

(a) Basis of preparation

The financial statements of EMS have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU), IFRS Interpretations Committee ("IFRS IC") interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Management intends to place the Company into liquidation within the next twelve months. Consequently, management has determined that the going concern basis of preparation is no longer appropriate and these financial statements are prepared on a basis other than going concern under the historical cost convention. One adjustment was made to the financial statements to reduce assets to their realisable values, being the write-off of the deferred tax asset. No further adjustments were made to the carrying amounts of other assets as the carrying amount represents their net realisable values. As of 31 December 2017, no provision for liabilities arising from the decision to liquidate the Company has been recorded. All assets and liabilities are classified as current.

The accounting policies set out below are in accordance with the Companies Act 2006 as applicable to companies using International Financial Reporting Standards (IFRS). The accounting policies have been applied consistently. No new policies have been adopted.

The preparation of financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The estimates and associated assumptions are based on historical experience.

In preparing the financial statements for the current year, consideration was given to new IFRSs as well as amendments to IFRS and IFRS IC interpretations. There are no new IFRSs or amendments to existing IFRSs and IFRS IC interpretations which apply to the Company for the year under review.

The following new standards will be applied for financial years commencing on 1 January 2018.
- IFRS 9 on Financial Instruments: The Company has assessed the new classification and measurement of financial assets (cash and other receivables). Cash will satisfy the conditions for classification at amortised cost, and hence there will be no change to the accounting for these assets. The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under IAS 39. The new model will result in an earlier recognition of credit losses. The adoption of the ECL model has no significant impact on the Company's financial statements, due to the short term nature of its financial assets and high rating of its banking counterparties.
- IFRS 15 Revenue from Contracts with Customers: The application of this new standard will have no impact on the Company's financial statements as there is no revenue within the business.

Under the Companies Act 2006 the directors have taken advantage of the small companies exemption from preparing a strategic report.

(b) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Fee income represents a return for services rendered and is recognised when the related service is performed. There is no revenue in the current year.

(c) Administrative expenses

Administrative charges are recognised on a straight line basis over the year which they relate.

(d) Taxation

Corporation tax payable is provided at the current rate on the profits arising in the year.

Deferred income tax is provided in full on a non-discounted basis, using the liability method, on temporary differences arising (i) between the tax bases of assets and liabilities at the anticipated rate of recovery and their carrying amount in the financial statements, and (ii) from tax losses carried forward.

Deferred tax assets are recognised to reflect the future tax benefit from unused tax credits and other temporary differences. If there is a concern about the Company's capacity to utilise the tax assets, the assets are impaired.

(e) Foreign currencies

EMS uses EUR as both its functional and presentational currency. Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the rate of exchange prevailing at the end of the financial year. Transactions in foreign exchange are translated at foreign exchange rates present on the date of the transaction.

(f) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at fair value, and have a maturity of less than three months. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks with a maturity of less than three months.

(g) Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised in the balance sheet on settlement date at fair value. They are subsequently measured at amortised cost using the effective interest method.

(h) Trade and other receivables

Trade and other receivables are amounts due from debtors for goods or services performed in the ordinary course of business. All trade and other receivables are classified as current, i.e. their collection is expected in one year or less. Trade and other receivables are recognised initially at fair value and subsequently submitted to impairment reviews.

(i) Financial assets

The Company has financial assets primarily in the form of trade and other receivables and cash and cash equivalents. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

(j) Impairment of financial assets

The Company assesses at the end of each reporting year whether there is objective evidence that financial assets are impaired. Where there is an indication of impairment, an assessment of the difference between the carrying amount and the present value of estimated future cash flows is performed. Any excess of carrying amount over the present value of estimated future cash flows is reduced through the use of an allowances account.

(k) Provisions

Provisions are recognised where (i) there is a present obligation arising from a past event; (ii) there is a probable outflow of resources; and (iii) the outflow can be estimated reliably.

Provisions are recognised in respect of onerous contracts where the unavoidable costs of the future obligations under the contract exceed the economic benefits expected to be received. The provisions represents the unavoidable costs of the obligations under the contract over the economic benefits expected to be received under it.

Provisions for litigation are recorded when there are strong indications that costs will be incurred to settle the legal cases concerned and a reliable estimate can be made.

(l) Contingent liabilities

Contingent liabilities are possible obligations whose existence depends on the outcome of one or more uncertain future events not wholly under the control of the group. For those present obligations where the outflows or resources are uncertain, or in the rare cases where these outflows cannot be measured reliably, this will give rise to a contingent liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless they are remote.

(m) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the normal course of business. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade and other payables are initially recognised and subsequently measured at fair value.

(n) Critical accounting estimates and judgements

There were no critical accounting estimates and judgements applied in the preparation of these financial statements.

II. Financial risk management

The Company is exposed to a variety of financial risks (including foreign exchange risk, liquidity risk and credit risk) which are actively managed through various control mechanisms, with ultimate responsibility remaining with the Board. The company has so far had limited exposure to operational risk (the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events), due to the operational element of the business having not yet started and now being prepared for liquidation. The financial risk management will not change in 2018 as a result of liquidation preparations.

Credit risk

Credit risk is the risk that the company is exposed to loss if another party fails to perform its financial obligations, for example exposure on the amounts due from customers. Controls and procedures are in

place to mitigate this risk and monitor on an on-going basis through regular reviews of outstanding balances. The company does not extend loans or credit facilities to its customers. At the end of the year there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the company does not have sufficient financial resources available to enable it to meet its obligations as they fall due. As detailed in note VII, EMS holds all of its liquid assets in the form of cash or cash equivalents, which give rise to little or no liquidity risk. Cash flow forecasts are prepared to ensure that sufficient funds are available to meet liabilities as and when they fall due and to enable the Board to monitor future requirements effectively.

The surplus cash which is also the working capital of the Company is not reinvested. It is thus available to meet the working capital needs and capital expenditure of the Company. All trade and other payables are current.

Foreign exchange risk

Foreign exchange risk is limited to the minimal payables the Company has in GBP. The Company does not actively hedge the exposure due to the application of a consistent approach for the management of foreign currency transactions and the inclusion of the group recharge policy.

Capital Management

The Company is monitoring its capital closely. Cash reserves are managed to ensure that the company is able to meet its financial obligations at all times.

III. Administrative expenses

(€)	Note	2017	2016
Staff costs		79,905	315,431
- Wages and salaries		45,619	263,946
- Social security costs		17,176	31,684
- Other pension costs		17,110	19,801
Related parties	XI	963,870	585,393
Audit fees		39,450	23,000
Other expenses		45,881	83,798
Total		**1,129,106**	**1,007,622**

The cost of contributions to the Company Personal Pension scheme in the year was €17,110 (2016: €19,801). There were no outstanding or prepaid contributions at 31 December 2017 and 31 December 2016. The scheme is classified as a defined contribution scheme.

In 2017, EMS had one employee until the end of November (2016: one).

Auditors' remuneration for Euroclear Market Solutions Limited was as follows:

(€)	2017	2016
Fees payable to the Company's independent auditors for the audit of the Company's financial statements	39,450	23,000
Total	**39,450**	**23,000**

IV. Income tax (expense)/income

In 2017, the Company surrendered certain trading losses accumulated in prior years to another Euroclear group subsidiary under the mechanisms of group relief. EMS received compensation of €158,156 for the surrender of these losses.

The Company has not recognised any deferred tax asset as of 31 December 2017 in respect of unutilised tax losses of €371,304 as the Company will be liquidated and it is therefore not probable that future taxable profits will be available against which EMS can utilise the benefits.

(€)	Note	2017	2016
UK Corporation Tax			
Current tax on income for the period		-	-
Adjustments in respect of prior years - Group relief	VI	(158,156)	-
Foreign exchange impact		(231)	-
Total current Tax		(158,387)	-
Reversal/(Origination) of timing differences		371,304	(135,774)
Remeasurement due to foreign exchange revaluation		-	-
Total Deferred Tax	V	371,304	(135,774)
Tax expense/(income)		212,917	(135,774)

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the average tax rate applicable to profit of the Company as follows:

(€)	2017	2016
Loss before tax	(920,987)	(784,635)
UK Corporation Tax at 19.25% (2016: 20%)	(177,290)	(156,927)
Remeasurement of deferred tax to reflect impact of changes in tax rates	-	21,153
Write off of tax losses carried forward	548,363	-
Group relief	(158,156)	-
Tax charge/(credit)	**212,917**	**(135,774)**

The deferred tax is calculated on the basis of the UK tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts to be paid to/recovered from the tax authorities.

V. Deferred tax assets

The gross movement on the deferred tax asset account is as follows:

(€)	2017	2016
At 1 January	371,304	235,551
Origination/(write off) of deferred tax asset	(371,304)	135,774
Exchange differences	-	(21)
At 31 December	**-**	**371,304**

A deferred tax asset was recognised at 31 December 2016 on temporary differences arising from tax losses carried forward.

The deferred tax asset in respect of unutilised tax losses of €371,304 has not been recognised at 31 December 2017 because it is not probable that future taxable profits will be available against which EMS can utilise the benefits.

VI. Trade and other receivables

(€)	Note	2017	2016
Amounts owed by group undertakings	XI	43,253	36,797
Group tax relief	XI	158,156	-
Other debtors and prepayments		953	8,177
At 31 December		**202,362**	**44,974**

Amounts owed by group undertakings are short-term, hence their carrying value is a reasonable approximation of their fair value.

Included within the Company's receivables is an amount of €158,156 payable by Euroclear UK & Ireland for group tax relief surrendered by Euroclear Market Solutions for the years ending 31 December 2015 and 31 December 2016.

VII. Cash and cash equivalents

(€)	2017	2016
Cash at bank and in hand	599,808	497,790
At 31 December	**599,808**	**497,790**

VIII. Share capital

Alotted and fully paid share capital (ordinary shares of €1 each) (€)	2017	2016
At 1 January	1,900,000	1,900,000
1,600,000 ordinary shares of €1 each	1,600,000	-
At 31 December	3,500,000	1,900,000

Following the issuance of 1,600,000 €1 shares in February 2017, Euroclear SA/NV has subscribed and paid for the subscription price of €1,600,000.

IX. Trade and other payables

(€)	Note	2017	2016
Amounts owed to group undertakings	XI	8,368	452,971
Accruals		62,839	185,315
Other payables		1,840	12,755
At 31 December		73,047	651,041

Accruals are mainly payroll-related and all payable within one year.
All amounts owed to group undertakings are due on receipt of invoices.
All other payables are due within six months.

X. Ultimate parent company

Euroclear Market Solutions Limited is a wholly owned subsidiary of Euroclear SA/NV (immediate parent company), which is incorporated in Belgium. The Company was previously owned by Euroclear Investments SA, and transferred to Euroclear SA/NV in November 2016.

The ultimate parent and the controlling entity is Euroclear plc, which is incorporated in England and Wales.

The largest group in which the results of Euroclear Market Solutions Limited is consolidated is that of Euroclear plc. The smallest group in which the results of Euroclear Market Solutions is consolidated is that of Euroclear SA/NV.

The registered office of Euroclear Market Solutions Limited is 33 Cannon Street, London EC4M 5SB. Copies of the Euroclear plc group financial statements can be obtained from this address.

XI. Related party transactions

The following transactions have been made with related parties during the year:

(€)		2017 Parent company	2017 Group undertakings	2017 Total	2016 Parent company	2016 Group undertakings	2016 Total
Assets							
Trade and other receivables	VI	-	158,156	158,156	-	-	-
Pre-payments and accrued income	VI	43,253	-	43,253	36,797	-	36,797
Total assets		**43,253**	**158,156**	**201,409**	**36,797**	**-**	**36,797**
Liabilities							
Trade and other payables	IX	(8,368)	-	(8,368)	(402,936)	(4,020)	(406,956)
Accruals and deferred income		-	-	-	(46,015)	-	(46,015)
Total liabilities		**(8,368)**	**-**	**(8,368)**	**(448,951)**	**(4,020)**	**(452,971)**
Comprehensive income							
Other operating income		231,818	-	231,818	220,792	663	221,455
Administrative expenses		(963,870)	-	(963,870)	(585,393)	-	(585,393)
Total Comprehensive income		**(732,052)**	**-**	**(732,052)**	**(364,601)**	**663**	**(363,938)**

Group undertakings: Euroclear UK & Ireland Limited.
Parent company: Euroclear SA/NV

In November 2016, Euroclear SA/NV purchased Euroclear Investments' equity participation in Euroclear Market Solutions Limited, making it the new parent company.

Euroclear SA/NV is a key supplier to the Company. It provides support in terms of IT, project development, product management, facilities, commercial, legal, human resources and finance.
The Company also provides some product management services to Euroclear SA/NV. This is currently the only revenue shown in the financial statements of the Company.

Key management personnel remuneration and other compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity, of the parent of the entity or another group undertaking. The Board considers key management personnel to comprise the directors and senior management team of the Company.

(€)	2017	2016
Short-term employee benefits	170,703	226,423
Post employment benefits	17,110	19,801
Other long-term benefits	-	30,486
Total remuneration and compensation	**187,813**	**276,710**

At 31 December 2017 and 31 December 2016, the number of directors was two. None of the directors received any remuneration in respect of their services to the Company. The emoluments of these directors are paid by Euroclear SA/NV which made no recharge to the Company for their role as director.

XII. Post balance sheet events

There were no post balance sheet events.