

**Company Number: 10605303**

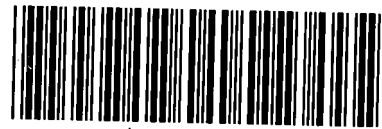
**ABIDE FINANCIAL DRSP LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED**

**31 MARCH 2018**

SATURDAY



A12 \*A7DKJ4PD\* #43  
01/09/2018  
COMPANIES HOUSE

# **ABIDE FINANCIAL DRSP LIMITED**

**Strategic Report for the period 7 February 2017 to 31 March 2018**

Company Number: 10605303

The directors present their Strategic Report and the audited financial statements of Abide Financial DRSP Limited (the 'Company') for the period 7 February 2017 to 31 March 2018.

## **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The Company is a wholly owned indirect subsidiary of NEX Group plc (the "ultimate parent") and is included in the group headed by NEX Group Plc (the "Group").

The directors do not anticipate any changes to the principal activities.

At the court meeting and general meeting of NEX Group plc, held on 18 May 2018, shareholders passed resolutions relating to an offer from CME Group Inc. to acquire NEX Group plc ("the Offer"); the Offer is anticipated to complete later this calendar year subject to certain conditions including regulatory clearances.

## **RESULTS**

The results of the Company are set out in the profit and loss account on page 7.

The loss for the financial period of £7,000 has been transferred to reserves.

The net liabilities of the Company are £7,000.

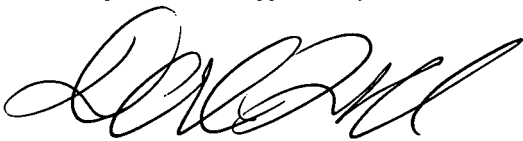
## **PRINCIPAL RISKS AND UNCERTAINTIES**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group (NEX Group plc, the ultimate parent undertaking, and its subsidiaries) and are not managed separately. Accordingly, the principal risks and uncertainties of NEX Group plc, which include those of the Company, are discussed on pages 17 to 23 of the Group's annual report, which does not form part of this report.

## **KEY PERFORMANCE INDICATORS**

The directors of NEX Group plc manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of NEX Group plc, which includes the Company, are discussed on page 10 to 11 of the Group's annual report, which does not form part of this report.

This report has been approved by the board of directors and signed on behalf of the board:



D Ireland  
Director

28 August 2018

# **ABIDE FINANCIAL DRSP LIMITED**

**Directors' Report for the period 7 February 2017 to 31 March 2018**

Company Number: 10605303

The directors present their Directors' Report and the audited financial statements of Abide Financial DRSP Limited (the 'Company') for the period 7 February 2017 to 31 March 2018.

## **PRINCIPAL ACTIVITIES**

The Company is acting as a Markets in Financial Instruments Directive II ("MiFID II") Data Reporting Services Provider ("DRSP") for customers under a customer agreement. During the period, the Company received approval from the Financial Conduct Authority ("FCA") as an Approved Reporting Mechanism ("ARM") and Approved Publication Agreement ("APA"). This will help NEX Group to report client transactions to National Competent Authorities ("NCA") across Europe under MiFID II. It is anticipated that the Company will continue its present business activities next year.

The Company was incorporated on 7 February 2017 and is domiciled in England and Wales. The registered office is 2 Broadgate, London, EC2M 7UR.

## **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The business review and future developments of the Company are detailed in the Strategic Report.

## **GOING CONCERN**

After reviewing the liquidity requirements, plans and financing arrangements, the directors are satisfied that the Company has adequate resources to continue to operate for at least twelve months from the date of signing of these financial statements and confirm that the Company is a going concern. Please refer to Note 1(a) on page 11.

## **DIVIDENDS**

No dividends were paid during the period.

## **DIRECTORS**

The directors of the Company, who held office during the period and up to the date of signing the financial statements were:

C Coleman	(appointed 7 February 2017 & resigned 11 May 2018)
C Abel	(appointed 7 February 2017 & resigned 31 March 2018)
B Robey-Pott	(appointed 7 February 2017)
D Ireland	(appointed 15 May 2018)
J Davies	(appointed 15 May 2018)

## **INDEPENDENT AUDITORS**

The Company's incumbent auditors, Deloitte LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial year.

## **PROVISION OF INFORMATION TO THE AUDITORS**

Each of the persons who is a director at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

**ABIDE FINANCIAL DRSP LIMITED**

**Directors' Report for the period 7 February 2017 to 31 March 2018**

Company Number: 10605303

**DIRECTORS' INDEMNITIES**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

This report has been approved by the board of directors and signed on behalf of the board:



D Ireland  
Director

28 August 2018

## **ABIDE FINANCIAL DRSP LIMITED**

### **Statement of Directors' Responsibilities**

#### **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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **ABIDE FINANCIAL DRSP LIMITED**

## **Independent Auditors' Report to the members of Abide Financial DRSP Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Abide Financial DRSP Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

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

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

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### **Other information**

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

# **ABIDE FINANCIAL DRSP LIMITED**

## **Independent Auditors' Report to the members of Abide Financial DRSP Limited**

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

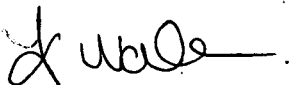
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

### **Use of our report**

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



Fiona Walker, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

29 August 2018

## ABIDE FINANCIAL DRSP LIMITED

### Profit and Loss Account for the period 7 February 2017 to 31 March 2018

	<u>Note</u>	<u>Period ended</u> <u>31/03/2018</u> £'000
Turnover		297
Administrative expenses	3	(306)
<b>Loss before taxation</b>		<hr style="width: 100%; border: 0.5px solid black;"/> <b>(9)</b>
Tax credit on loss	5	2
<b>Loss for the financial period</b>		<hr style="width: 100%; border: 0.5px solid black;"/> <b>(7)</b> <hr style="width: 100%; border: 0.5px solid black;"/>

The loss of the Company for the period is derived from continuing operations.

The notes on pages 11 to 15 are an integral part of these financial statements.



**ABIDE FINANCIAL DRSP LIMITED**

**Statement of Comprehensive Income for the period 7 February 2017 to 31 March 2018**

	<u>Period ended</u> <u>31/03/2018</u> £'000
<b>Loss for the financial period</b>	(7)
<b>Total comprehensive expense for the financial period</b>	<u><u>(7)</u></u>

The notes on pages 11 to 15 are an integral part of these financial statements.

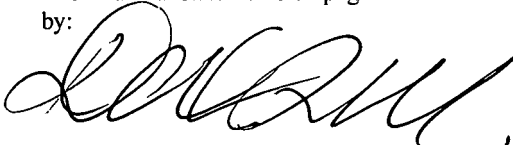
**ABIDE FINANCIAL DRSP LIMITED**  
**Balance Sheet as at 31 March 2018**

Company Number: 10605303

	<u>Note</u>	<u>As at</u> <u>31/03/2018</u> £'000
<b>Current assets</b>		
Amount due from immediate parent company		4
Tax receivable		2
		<u>6</u>
<b>Current liabilities</b>		
Creditors	6	<u>(13)</u>
		(13)
<b>Total assets less current liabilities</b>		<u>(7)</u>
<b>Net current liabilities</b>		<u>(7)</u>
<b>Net liabilities</b>		<u>(7)</u>
<b>Equity</b>		
Called up Share capital	7	-
Accumulated losses		<u>(7)</u>
<b>Total Equity</b>		<u>(7)</u>

The notes on pages 11 to 15 are an integral part of these financial statements.

The financial statements on pages 7 to 15 were approved by the board of directors on 28 August 2018 and were signed on its behalf by:



D Ireland  
 Director

## ABIDE FINANCIAL DRSP LIMITED

### Statement of Changes in Equity for the period 7 February 2017 to 31 March 2018

	<u>Called up</u> <u>Share</u> <u>Capital</u> <u>(note 7)</u> £'000	<u>Accumulated</u> <u>losses</u> £'000	<u>Total</u> <u>Equity</u> £'000
Loss for the financial period	-	(7)	(7)
As at 31 March 2018	<u>-</u>	<u>(7)</u>	<u>(7)</u>

#### Share capital

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

# ABIDE FINANCIAL DRSP LIMITED

## Notes to the financial statements for the year ended 31 March 2018

### 1. PRINCIPAL ACCOUNTING POLICIES

#### a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101), the Companies Act 2006 (the Act) as applicable to companies using FRS 101 and under the historic cost convention. FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ('IFRS'). The accounting policies have been applied consistently, other than where new policies have been adopted.

The Company is a qualifying entity for the purposes of FRS 101. Note 9 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The following disclosure exemptions have been adopted:

- financial risk management note;
- cash flow statements;
- standards not yet effective;
- process for managing capital;
- key management compensation; and
- related party transactions between wholly owned group companies.

#### Basis of preparation – Going concern

On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able 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. In addition, the intermediate parent, NEX Group Holdings Plc, confirmed its undertaking to provide financial support to the Company so that the Company is able to meet its liabilities as and when they fall due for a period of 12 months from the date of the financial statements.

#### b) Turnover

Turnover is measured to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### c) Tax

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior years. Tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the current and deferred tax is also accounted for in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

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

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

## **ABIDE FINANCIAL DRSP LIMITED**

### **Notes to the financial statements for the year ended 31 March 2018**

#### d) Financial assets

##### i) Recognition

Financial assets consist of debtors classified as “loans and receivables”.

Loans and receivables: loans and receivables are non-derivative financial instruments which have a fixed or easily determined value. They are subsequently carried at amortised cost using the effective interest method, less any impairment. These assets are included in debtors (note 6).

##### ii) De-recognition

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

##### iii) Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company’s past experience of collecting payments, ageing profile, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Financial assets not held at fair value are impaired where there is objective evidence that the value may be impaired. The amount of the impairment is calculated as the difference between carrying value and the present value of any expected future cash flows, with any impairment being recognised in the profit and loss account. Subsequent recovery of amounts previously impaired are credited to the profit and loss account.

#### e) Financial liabilities

##### i) Recognition

Financial liabilities consist of creditors classified as “other financial liabilities”.

Financial liabilities are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

##### ii) De-recognition

The Company de-recognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or they expire.

#### f) Share capital

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

#### g) New standards, amendments and interpretations

No new standards, amendments or interpretations, effective for the first time for the financial period beginning on or after 8 February 2017 have had a material impact on the Company.

## **ABIDE FINANCIAL DRSP LIMITED**

### **Notes to the financial statements for the period 7 February 2017 to 31 March 2018**

#### **2. KEY ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The Company makes various judgements in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities.

As at 31 March 2018 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements.

#### **3. ADMINISTRATIVE EXPENSES**

	<u>Period ended</u> <u>31/03/2018</u> £'000
Transfer pricing expense	276
Regulatory fees	30
	<u>306</u>

#### **4. DIRECTORS' REMUNERATION**

The three directors are remunerated by other group companies and provide their services to the Company on a free basis, it being impractical to allocate their remuneration. Hence no fees were paid to the directors in respect of services to the Company during the period.

## ABIDE FINANCIAL DRSP LIMITED

### Notes to the financial statements for the period 7 February 2017 to 31 March 2018

#### 5. TAX CREDIT ON LOSS

	<u>Period ended</u> <u>31/03/2018</u> £'000
a) Analysis of tax credit for the period	
Current taxation:	
UK Corporation tax	(2)
Adjustments in respect of prior periods	-
	<u>(2)</u>
b) Factors affecting the tax credit for the period	
Loss before tax	<u>(9)</u>
Loss multiplied by standard rate of corporation tax in the UK of 19%	(2)
Effects of:	
Expenses not deductible for tax purposes	-
Non-taxable income	-
	<u>(2)</u>
Tax credit for the period	<u>(2)</u>
Effective tax rate	19%

The standard rate of Corporation Tax in the UK changed from 20% to 19% with effect from 1 April 2017 and will fall to 17% from 1 April 2020. UK deferred tax will therefore unwind at a rate of 19% for periods from 1 April 2017 to 31 March 2019.

## ABIDE FINANCIAL DRSP LIMITED

Notes to the financial statements for the period 7 February 2017 to 31 March 2018

### 6. CREDITORS

	<u>As at</u> <u>31/03/2018</u> £'000
<b>Current</b>	
Deferred revenue	13
	<u>13</u>

### 7. CALLED UP SHARE CAPITAL

	<u>As at</u> <u>31/03/2018</u> £'000
<b>Allotted and fully paid:</b>	
100 Ordinary share(s) of £1 each	<u>-</u>
	<u>-</u>

### 8. POST BALANCE SHEET EVENTS

On 18 May 2018, the NEX shareholders voted to approve the offer from CME Group Inc. to acquire NEX Group plc ("the Offer"); the Offer is anticipated to complete later this calendar year subject to certain conditions including regulatory clearances.

### 9. IMMEDIATE, INTERMEDIATE AND ULTIMATE PARENT COMPANY

The Company's immediate parent is Abide Financial Limited, which does not prepare consolidated financial statements. The Company's intermediate parent is NEX Optimisation Limited, which does not prepare consolidated financial statements.

The Company's other intermediate parent is NEX Group Holdings plc, which is incorporated in England and Wales, and heads the smallest group of companies of which the Company is a member. NEX Group Holdings plc prepares consolidated financial statements in accordance with IFRS and copies may be obtained from the Company Secretary, NEX Group Holdings plc, 2 Broadgate, London, EC2M 7UR, which is its registered office.

The Company's ultimate parent is NEX Group plc, which is incorporated in England and Wales, and heads the largest group of companies of which the Company is a member. NEX Group plc prepares consolidated financial statements in accordance with IFRS and copies may be obtained from the Company Secretary, NEX Group plc, 2 Broadgate, London, EC2M 7UR, which is its registered office.