Company Number 02829935

P V M Oil Futures Ltd

Annual Report and Financial Statements - 31 December 2019

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019
The directors present their Annual Report and the audited financial statements of P V M Oil Futures Ltd (the "Company") for the year ended 31 December 2019.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS
The Company is a private limited company, incorporated in England and Wales, authorised and regulated by the Financial Conduct Authority ("FCA") and the National Futures Association ("NFA"). The Company is a wholly owned subsidiary within the TP ICAP plc group (the "Group").

The directors consider that the year end financial position was satisfactory and are currently reviewing the role of the Company within the Group. As a result, it is expected that the operational activities of the Company will be transferred to a fellow subsidiary of the Group within the foreseeable future following the approval of these financial statements, allowing the Group to consolidate certain trading and broking activities. On that basis, the financial statements have been prepared on a basis other than going concern.

The Company's principal activity continues to be an introducer and execution-only broker on the Intercontinental Exchange ("ICE"), Chicago Mercantile Exchange ("CME") and Dubai Mercantile Exchange ("DME").

The following comments are made on the main product areas within the business:

- The Company delivered a solid performance throughout 2019. Factors affecting the market and price moves during the year included attacks on shipping in the Straits of Hormuz, Chinese sanctions imposed by the USA, Iranian sanctions, and supply / demand issues in Libya, Iran and Venezuela.
- Revenue was down on prior year, principally due to lower Oil and Emission revenues. Brent Crude averaged $64bbl in 2019, $7bbl lower than the 2018 average. WTI averaged $57bbl in 2019, again an average of $7bbl lower than the previous year. There was increased US oil production throughout the year. Crude oil production outside of the US fell during the same period.
- Front office costs were down on prior year mainly due to lower bonuses. Savings were also made in market data and telecommunications.

The Company continues to invest in IT infrastructure and high quality staff, and look forward to maintaining both market share and a strong balance sheet in the year ahead. Customer service remains a top priority.

RESULTS
The results of the Company are set out in the Statement of profit or loss on page 10.

The Profit after income tax for the financial year of $372,000 (2018: Loss after income tax of $171,000) has been transferred to Retained profits.

The Net assets of the Company are $16,703,000 (2018: $16,331,000).

P V M Oil Futures Ltd
Strategic report
31 December 2019

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks in the Company's day to day operations can be categorised as Market, Credit, Operational, Liquidity, Capital management, Strategic and business risk.

Market risk is the vulnerability of the Company to movements in the value of financial instruments. Market risk may occur through trade mismatches or other errors. The risk in such situations is restricted to movements in foreign exchange and interest rates. These risks are further discussed in Note 3, Financial risk management.

Credit risk is the risk of financial loss to the Company in the event of non-performance by a client or counterparty with respect to its contractual obligations to the Company. The Company's business is contracted on an agency or intermediary basis, meaning that there is limited credit risk, as the exposure is principally to movements in securities prices and foreign exchange rates. A portion of transactions brokered by the Company are on a name passing basis, whereby the Company acts as agent in arranging the trade. Whilst the Company does not suffer exposure in relation to the underlying instrument brokered (given that the Company is not a principal to the trade), it is exposed to the risk that the client may fail to pay the brokerage charged.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events. Operational risk covers a wide and diverse range of risk types. The overall objective of the Company's operational risk management is not to avoid all potential risks but to proactively identify and assess risks and risk situations and manage them in an efficient and informed manner.

Liquidity risk is the risk that the Company, in periods of corporate or market volatility, will not have access to an appropriate level of cash or funding to enable it to finance ongoing operations or any reasonable unanticipated events on cost effective terms. Cash and cash equivalent balances are held with the principal objective of capital security and availability and with a secondary objective of generating return. Funding requirements and Cash and cash equivalent exposures are monitored by Group Finance and Operations.

Capital management risk is the risk of failure to maintain adequate levels of capital. The Company is exposed to the risk of new regulations imposing a fundamental change to the structure or activity of financial markets, which in turn could result in an obligation to hold punitive levels of regulatory capital. The Company closely monitors regulatory developments in the market and is actively involved in the consultation and rule-setting process so as to ensure an informed debate on all regulatory issues potentially affecting IDB markets, both on an individual firm basis and through trade associations. The board also undertakes an informed assessment of whether the Company holds sufficient capital in the context of the business objectives taking into account the nature of its business model, its risk profile, and its risk management framework.

Strategic and Business risk is the risk that the Company's ability to do business might be damaged through its failure to adapt to changing market dynamics, customer requirements or the regulation of over the counter ("OTC") markets and its participants. Business risk includes the company's ability to tarnish its brand through fraudulent or rogue trading.

Ensuring that we were prepared for all Brexit eventualities has been a critical focus for TP ICAP.

There are two main business streams we need to consider when we leave the EU. The first is the business we carry out in the EU for EU clients. We have set up and capitalised a new company in Paris called TP ICAP Europe and moved our French, German Spanish and Danish trading branches to sit under this company. This means that the business we currently transact from these offices is protected in the event of a hard Brexit.

We have set up three new EU venues – one multilateral trading facility ("MTF") and two organised trading facilities ("OTF") - so that our EU activity can be conducted on MiFID II compliant venues. These venues are now authorised and conducting business.

The second stream of business is the work we do for EU based clients through our broking desks in the UK. We have plans in place to protect this business by putting more front office staff in our EU offices and changing some of our workflows.

While the UK left the EU on the 31 January 2020 we are yet to know what the terms of leaving are and how that will impact our business. In the meantime, we continue to liaise with our clients to understand what plans they have so that we can continue to provide them with a high quality service. Ultimately, the distribution of our brokers between the UK and EU will depend on our clients' requirements. However, we continue to expect the UK to remain a major centre for financial, energy and commodities markets.

Management have the day-to-day responsibility for ensuring that the Company operates in accordance with the Enterprise Risk Management Framework. The Group has approved policies and procedures to manage key risks. Further details of the Enterprise Risk Management Framework are outlined in the Group's Annual Report, which does not form part of this report.

Principal risks & uncertainties (continued)

Subsequent to year end, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the world. As at the date of this report, the COVID-19 outbreak is resulting in governments around the world, including the United Kingdom, putting restrictions in place regarding the movement of people, leading to widespread disruption and significant market volatility. This has impacted the global financial markets severely. In response, the Group, including the Company, has activated its Business Continuity Planning strategies, which include the introduction of measures to allow a significant proportion of our employees to work remotely, to safeguard their wellbeing and to continue Company operations and support of our clients. The full extent of how these conditions will impact the Company is not yet known as there is uncertainty around the duration and severity. Therefore, while we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Company has a positive net asset value and cash reserves available to help preserve its financial flexibility.

SECTION 172(1) STATEMENT

The directors provide this statement describing how they have had regard to the matters set out in Section 172(1) of the Companies Act 2006, when performing their duty to promote the success of the Company. Further details on key actions in this regard are also contained in the Group Corporate Governance Report. This statement also provides details of how the directors have engaged with and had regard to the interests of our key stakeholders.

Our stakeholders

The Company believes that engagement with our shareholders and wider stakeholder groups plays a vital role throughout the business. During 2019 we increased our focus on engagement with stakeholders as well as increasing our attention on environment, social and governance ("ESG") matters. During the year the Company strengthened its risk and governance framework with the adoption of a UK Regulated Entity Governance Framework which forms part of the Group's Governance Framework. The structure and format of Company and Committee papers have been reviewed and, as a result, changes were implemented to ensure that Section 172(1) considerations are considered in Board discussion and decision making.

- Shareholders
  The directors believe that engagement with our shareholders is of key importance to the business. During the year, the directors considered, approved and paid dividends as appropriate to its shareholders, having considered the impact of a distribution on the long-term prospects of the business. Further information on the tailored engagement approach which is adopted towards the Group's shareholders is carried out at Group level, details of which are included in the Group's Annual Report which does not form part of this report.
- Employees
  Employees are central to the long-term success of the Company, and, as such the directors consider their interests in its decision-making. During the year, engagement with employees was enhanced by the introduction of a Group Board Non-executive Director Engagement programme with employees. Following the inaugural meetings, The Chief Executive Officer for the EMEA region held a townhall session to provide feedback and discuss with employees the areas they wanted to prioritise and progress. The Group's core values of honesty, integrity, respect and excellence are integral to the long-term success of the business and the directors are committed to promoting a culture which embodies the highest possible standards. The "town hall" meeting was therefore an opportunity to reinforce the importance of conduct and culture to employees and underline the expectations of the business. The directors received feedback from the Chief Executive Officer, EMEA region on the outcomes of the engagement and "town hall" meeting. In the coming year the directors will continue to ensure that it has a well-developed structure through which it engages with its employees. Plans for 2020 include extending the reach of the employee sessions to other locations to ensure that the widest possible employee views are captured. Further details of the Group-wide programme and other Group-wide employee engagement and the Group's culture and values are set out on in the Group Annual Report which does not form part of this report.
- Clients
  The Group Board has regular contact with our principal clients and during the year meetings were held with clients to understand what actions they were taking in relation to Brexit. Further details of engagement with clients is provided in the Group Annual Report which does not form part of this report.
- Regulators
  The directors recognise the importance of engaging with the FCA and other regulatory bodies to better understand and respond to their views. During the year the directors engaged with the FCA and the AMF, the French financial markets regulator, to discuss Brexit plans. The directors also received updates on engagement with the Regulators through Board reporting. The Group coordinates engagement with the Regulators in relation both to the Group and this entity and further details can be read in the Group's Annual Report which does not form part of this report.
- Suppliers
  The directors recognise the importance of engagement with our key infrastructure suppliers to monitor performance and manage risk and receives updates on Payment Practices Reporting biannually. In 2020 the directors will receive regular updates on Payment Practices initiatives regarding suppliers which will further strengthen its oversight of and engagement with suppliers. Key supplier engagement is also carried out at Group level and is discussed in detail in the Group Annual Report which does not form part of this report.

Environment and Community
The directors are aware of society's increasing focus on ESG and is committed to striving to operate in a sustainable and responsible way whilst delivering value for our stakeholders. During the year the Group Board monitored the Group-wide "A Voice for All" corporate responsibility strategy, launched in 2018 which focusses on all our stakeholders including employees, clients, society and the wider environment within which we operate. Further details of the Group's key community initiatives and reporting on greenhouse gas emissions can be found in the Strategic report and Directors' report within the Group's Annual Report which does not form part of this report.

KEY PERFORMANCE INDICATORS
The Company's return on assets, calculated as net profit / (loss) divided by net assets, is 2.2% (2018: -1.0%). This is in line with management expectations.

The directors of TP ICAP plc manage the Group's operations on a regional basis. For this reason, the Company's directors believe that further 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 TP ICAP plc, which includes the Company, are discussed in 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 by order of the board.

Alan Kelly

A Kelly
Director

22 April 2020

P V M Oil Futures Ltd
Directors' report
31 December 2019

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

PRINCIPAL ACTIVITIES
The Company's principal activity is that of an introducer and execution-only broker on the ICE, the CME and the DME. The Company is a wholly owned subsidiary within the Group. The Company is regulated by the FCA and the NFA. The Company expects to transfer its operational activities to a fellow subsidiary of TP ICAP plc within foreseeable future following the approval of these financial statements, after which event the Company will not be active in its principal activity and will cease to trade. Subject to this event, it is anticipated that the Company will continue its present business activities for the foreseeable future.

The Company is incorporated in United Kingdom and domiciled in England and Wales. The Company is a private company limited by shares. The registered office is Floor 2, 155 Bishopsgate, London, England, EC2M 3TQ.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS
Details of business review and future developments can be found in the Strategic Report on page 1.

PRINCIPAL RISKS AND UNCERTAINTIES
Principal risks and uncertainties are explained in the Strategic Report, pages 2 to 3, and detailed in Note 3, Financial risk management.

GOING CONCERN
The directors intend to transfer the Company's operational activities to a fellow subsidiary of TP ICAP plc in the foreseeable future, and the financial statements have therefore been prepared on a basis other than going concern. Preparation of the financial statements on an 'other than going concern' basis has had no material impact on the financial statements reported.

DIVIDENDS
No dividends were paid or proposed during the current or prior year, nor were any further dividends declared or paid up to the date of signing.

DIRECTORS
The following persons were directors of the Company during the financial year and up to date of this report, unless otherwise stated:

I Gilligan
A Kelly (17 April 2020)
A Polydor (Resigned on 6 December 2019)
P Ashley (Resigned on 27 September 2019)

DIRECTOR'S INDEMNITIES
The Company's ultimate parent, TP ICAP plc, has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

SECTION 172(1) STATEMENT
The Company has prepared a statement in compliance with Section 172(1) of the Companies Act 2006. Details of this statement can be found in the Strategic Report on page 3.

ENVIRONMENTAL POLICY
TP ICAP recognises it has a responsibility to help protect the environment and respond to the global climate crisis. This means minimising the environmental impact of our operations.

Responsibility for environmental matters rests with the Board, and is included in its terms of reference. The Chief Executive Officer is the Board member responsible for corporate social responsibility across the Group. These policies and practices are outlined in the Group's Annual Report, which does not form part of this report.

POLITICAL CONTRIBUTIONS
There were no political contributions made by the Company during the financial year (2018: $Nil).

DISABLED EMPLOYEES
Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

P V M Oil Futures Ltd
Directors' report
31 December 2019

EMPLOYEE CONSULTATION

The Company is committed to attracting, retaining, developing and advancing the most qualified persons without regard to their race, ethnicity, religion or belief, gender, age, sexual orientation or disability. This commitment is underpinned by policies on equal opportunities, harassment and discrimination, to which all employees are required to adhere.

The Company participates in the Group's policies and practices relating to current and prospective employees. These policies and practices are outlined in the Group's Annual Report which does not form part of this report.

POST BALANCE SHEET EVENTS

Subsequent to year end, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the world. As at the date of this report, the COVID-19 outbreak is resulting in governments around the world, including the UK, putting restrictions in place regarding the movement of people, leading to widespread disruption and significant market volatility. This has impacted the global financial markets severely. In response, the Group, including the Company, has activated its Business Continuity Planning strategies to safeguard the wellbeing of its employees, the continuation of its operations and the support of its clients. The full extent of how these conditions will impact the Company are not yet known as there is uncertainty around the duration and severity. Therefore, while we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Company has a positive net asset value and cash reserves available to help preserve its financial flexibility.

INDEPENDENT AUDITOR

The Company's incumbent auditor, Deloitte LLP, have indicated their willingness to continue in office and, in the absence of an Annual General Meeting, are deemed reappointed in the next financial year.

PROVISION OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The report is authorised for issue by the board of directors.

Approved by the board and signed on its behalf by:

Alan Kelly

A Kelly
Director

22 April 2020

Company Number: 02829935

P V M Oil Futures Ltd
Directors' responsibilities statement
31 December 2019

The directors are responsible for preparing the Annual 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 FRS 101 "Reduced Disclosure Framework". 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 FRS 101 "Reduced Disclosure Framework" has been followed, subject to any material departures disclosed and explained in the 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 confirm they have complied with all the above requirements in preparing the financial statements.

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.

P V M Oil Futures Ltd
Independent auditor's report to the members of P V M Oil Futures Ltd
31 December 2019

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of P V M Oil Futures Ltd (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year 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 of which comprise:

- the statement of profit or loss;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 21.

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 Financial Reporting Council'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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

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.

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. 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.

Giles Lang

Giles Lang (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
22 April 2020

P V M Oil Futures Ltd
Statement of profit or loss
For the year ended 31 December 2019

	Note	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Revenue	4	10,405	13,662
Other operating expenses	8	(73)	(295)
Expenses			
Administrative expenses	5	(9,961)	(13,556)
Operating profit / (loss)		371	(189)
Interest receivable and similar income	9	165	74
Interest payable and similar expenses	10	(14)	(4)
Profit / (loss) before income tax		522	(119)
Income tax	11	(150)	(52)
Profit / (loss) after income tax for the year		372	(171)

The operating profit / (loss) for the current and prior year is derived from operations that are expected to discontinue in the coming year.

There were no items of other comprehensive income in the current or prior year other than the profit for the current or prior year and, accordingly, no Statement of other comprehensive income is presented.

P V M Oil Futures Ltd
Balance sheet
As at 31 December 2019

	Note	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Assets			
Non-current assets			
Investments	12	-	2
Deferred tax asset	11	-	15
Total non-current assets		-	17
Current assets			
Investments	15	2	-
Debtors	13	3,552	2,797
Cash and cash equivalents	14	16,729	17,377
		20,283	20,174
Deferred tax asset	11	12	-
Total current assets		20,295	20,174
Total assets		20,295	20,191
Liabilities			
Current liabilities			
Creditors	16	3,435	3,102
Tax payable	11	157	758
Total current liabilities		3,592	3,860
Total liabilities		3,592	3,860
Net assets		16,703	16,331
Equity			
Issued capital	17	757	757
Share premium	18	9,002	9,002
Other reserves		2	2
Retained profits		6,942	6,570
Total equity		16,703	16,331

The financial statements on pages 10 to 28 were approved and authorised for issue by the board of directors on 22 April 2020 and were signed on its behalf by:

Alan Kelly

A Kelly
Director

22 April 2020

Company Number: 02829935

The above Balance sheet should be read in conjunction with the accompanying notes

P V M Oil Futures Ltd
Statement of changes in equity
For the year ended 31 December 2019

	Issued capital $'000	Share premium $'000	Other reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 January 2018	757	-	2	6,750	7,509
Loss after income tax for the year	-	-	-	(171)	(171)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(171)	(171)
Expected credit loss	-	-	-	(11)	(11)
Shares issued during the year	-	9,002	-	-	9,002
Deferred tax	-	-	-	2	2
Balance at 31 December 2018	757	9,002	2	6,570	16,331

	Issued capital $'000	Share premium $'000	Other reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 January 2019	757	9,002	2	6,570	16,331
Profit after income tax for the year	-	-	-	372	372
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	372	372
Balance at 31 December 2019	757	9,002	2	6,942	16,703

The above Statement of changes in equity should be read in conjunction with the accompanying notes

P V M Oil Futures Ltd
Notes to the financial statements
31 December 2019

Note 1. General information and principal accounting policies

General information
The Company is a private company limited by shares, incorporated in England and Wales. The registered office is Floor 2, 155 Bishopsgate, London, England, EC2M 3TQ.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Going concern
The directors intend to transfer the Company's operational activities to a fellow subsidiary of TP ICAP plc in the foreseeable future, and the financial statements have therefore been prepared on a basis other than going concern.. Preparation of the financial statements on an 'other than going concern' basis has had no material impact on the financial statements reported.

Basis of preparation
The financial statements of the Company have been prepared in accordance with FRS 101 "Reduced Disclosure Framework" and the Companies Act 2006. As permitted, the Company has taken advantage of disclosure exemptions, including: Statement of cash flow, disclosure of new accounting standards not yet mandatory, presentation of comparative information for tangible and intangible fixed assets, key management compensation, related party transactions between wholly owned Group companies, and share-based payments. Where relevant, equivalent disclosures have been given in the Group financial statements of TP ICAP plc. Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Company's results.

The Company's ultimate parent is TP ICAP plc (incorporated in the United Kingdom) whose consolidated financial statements are available from Companies House.

The financial statements are prepared in United States Dollars, which is the functional currency of the Company.

Historical cost convention
The financial statements have been prepared under the historical cost convention, as modified by financial instruments recognised at fair value.

Revenue
Revenue comprises of:

Agency brokerage, where the Company earns commission on transactions where it acts as agent. The Company acts in a non-advisory capacity to match buyers and sellers of financial instruments and raises invoices for the service provided. The Company does not act as principal and only receives and transmits orders between counterparties. Amounts receivable at the year end are reported as Agency trade debtors within Debtors.

Other income, which comprises of income of a secondary nature in relation to the Company's activities, including the provision of reports and incentive fees from third parties.

The Company has applied IFRS 15, a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A contract-based revenue recognition model is used, with a measurement approach that is based on an allocation of the transaction price. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company, which is normally trade date, or at the time of the simultaneous commitment by the counterparties to sell and purchase the financial instrument. Revenue is stated net of VAT, rebates and discounts. Amounts receivable at the year end are reported in Note 13, Current assets - Debtors.

Pension costs
Certain employees of the Company participate in a Group defined contribution pension scheme operated by TP ICAP plc. The Company's contributions to the scheme are charged to the Statement of profit or loss on an accruals basis.

Interest receivable and similar income
Interest revenue is recognised as interest and accrues using the applicable effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 1. General information and principal accounting policies (continued)

Interest payable and similar expenses
Interest expenditure is recognised as interest and accrues using the applicable effective interest method. Finance costs directly attributable to tangible assets are capitalised as part of the asset. This is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial liability to the net carrying amount of the financial liability. All other finance costs are expensed in the period in which they are incurred.

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

Calculations of current and deferred tax liability are 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 initially recorded, such differences will impact the current and deferred tax amounts in the year in which a reassessment of the liability is made.

Deferred tax
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.

Dividends paid
Dividends are recognised as deductions from Retained profits in the period in which they are paid.

Foreign currencies
Transactions denominated in foreign currencies are translated into functional currency at the rates of exchange prevailing on the date of each transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currency are retranslated at rates prevailing on the balance sheet date. Exchange differences are taken to the Statement of profit or loss. Non-monetary assets and liabilities carried at fair value denominated in foreign currency are translated at the rates prevailing at the date when the fair value was determined.

Cash and cash equivalents
Cash and cash equivalents comprises of cash in hand, demand deposits and other short-term highly liquid investments which are subject to insignificant risk of change in value and are readily convertible into a known amount of cash within less than three months.

Debtors
Debtors are recognised at amortised cost less provision for impairment. All provisions are recorded within Administrative expenses in the Statement of profit or loss.

Creditors
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year where the invoice is unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and usually paid within 30 days of recognition.

Note 1. General information and principal accounting policies (continued)

Investments
Investments represent shares held in Intercontinental Exchange Inc., a company listed on the New York Stock Exchange. These shares are valued at fair value by reference to the quoted market price at the balance sheet date.

Impairment of investments
An impairment review is undertaken at each balance sheet date or when events or changes in circumstances indicate that an impairment loss may have occurred. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For non-financial assets, fair value is measured using the assumption that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the Balance sheet, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the Balance sheet, in current liabilities.

Financial Instruments
The Company has applied IFRS 9 in valuing its financial instruments. The Company had no hedging relationships as at this date or during the current reporting period. Classification of financial assets is based both on the business model within which the asset is held and the contractual cash flow characteristics of the asset. There exist three principal classification categories for financial assets that are debt instruments:

(i) fair value through other comprehensive income 'FVOCI',
(ii) fair value through profit or loss 'FVTPL' and
(iii) amortised cost.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income ("OCI"). This election is made on an investment-by-investment basis.

Equity investments in scope of IFRS 9 are measured at fair value with gains and losses recognised in the Statement of profit or loss unless an irrevocable election has been made to recognise gains or losses in OCI. Under IFRS 9, derivatives embedded in financial assets are not bifurcated but instead the whole hybrid contract is assessed for classification.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as an asset measured at FVTPL, if in doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is measured at amortised cost only if the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Note 1. General information and principal accounting policies (continued)

Impairment of financial assets
IFRS 9 applies the Expected Credit Loss ("ECL") model to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of Debtors, and Cash and cash equivalents. ECL of debtors is calculated using simplified method (lifetime ECL) while Intercompany positions adopt the general approach (12 month ECL).

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: that result from expected default events within 12 months of the reporting date; and
- lifetime ECLs: that result from all default events anticipated during the expected life of a financial instrument

The Company measures loss allowances at an amount equal to lifetime ECLs. The only exception is Cash and cash equivalents for which credit risk has not increased significantly since initial recognition, which is measured as 12-month ECLs. The Company has elected to measure loss allowances for Debtors at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Group to actions such as realising security (if any is held); and
- the financial asset is more than 90 days past due

Measurement of Expected Credit Loss ("ECL")
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, representing the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events have occurred that have a detrimental impact on estimated future cash flows of the financial asset.

Intercompany current accounts
Intercompany current accounts are shown in accordance with the netting agreement, which allows netting of bilateral intercompany balances within entities that are party to the netting agreement.

Issued capital
Ordinary shares are classified as equity.

New and revised IFRS in issue and mandatorily effective during the year
Management have reviewed the new and revised IFRS in issue and mandatorily effective during the year. These standards have not had a material impact on the financial statements of the Company in the period of initial application

New and revised IFRS in issue but not yet effective
Management have reviewed the new and revised IFRS in issue but not yet effective and anticipates these standards will have no material impact on the financial statements of the Company in the period of initial application.

Note 2. Key accounting judgements and sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements, estimates and assumptions in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates, and assumptions and there are no sources of estimation uncertainty that are likely to affect the current or future financial years.

Note 3. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks, including market, credit, liquidity and capital management risk. The overall financial risk management framework, strategy and policies of the Company are determined by the board of its ultimate parent company, TP ICAP plc. It does this through the Board Risk Committee, Group Executive Risk Committee and regional risk committees. The Company does not manage its own financial risk framework.

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Financial assets		
Debtors less prepayments (Note 13)	3,496	2,690
Cash and cash equivalents (Note 14)	16,729	17,378
Total financial assets	20,225	20,068

Market risk

Market Risk includes risks arising from movements in foreign exchange, interest rates, market prices and fair value.

Foreign exchange risk

The Company is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements. Transactional exposure arises from expenses incurred and revenue earned in currencies other than the Company's functional currency (United States Dollar). Translational exposure arises on the conversion of the foreign currency denominated assets and liabilities into United States Dollar.

It is estimated that a 10 pence / cent increase in the exchange rates of sterling and Euro against United States Dollar as at 31 December 2019, would impact the Company's Statement of profit or loss and Retained profits by $58,000 and $(98,000) respectively (2018: $(285,000) and $220,000).

The table below summarises the Company's exposure to foreign and domestic currencies as at 31 December 2019:

Note 3. Financial risk management (continued)

	GBP $'000	EUR $'000	USD $'000	Total $'000
Assets				
Debtors less prepayments	-	531	2,965	3,496
Cash and cash equivalents	480	585	15,664	16,729
Total financial assets	480	1,116	18,629	20,225
Liabilities				
Creditors	(1,244)	-	(2,191)	(3,435)
Total financial liabilities	(1,244)	-	(2,191)	(3,435)
Net financial (liabilities) / assets	(764)	1,116	16,438	16,790

The table below summarises the Company's exposure to foreign and domestic currencies as at 31 December 2018:

	GBP $'000	EUR $'000	USD $'000	Total $'000
Assets				
Debtors less prepayments	26	449	2,215	2,690
Cash and cash equivalents	341	1,699	15,338	17,378
Total financial assets	367	2,148	17,553	20,068
Liabilities				
Creditors	(2,893)	-	(209)	(3,102)
Total financial liabilities	(2,893)	-	(209)	(3,102)
Net financial (liabilities) / assets	(2,526)	2,148	17,344	16,966

Interest rate risk

The Company's interest rate risk arises from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams. Interest rate risk is monitored at a Group level by the Board Risk Committee. In terms of cash and other interest bearing investments, the Company must comply with the Enterprise Risk Management Framework which includes policies and procedures for these key risks. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 18 months, unless approved by the Board Risk Committee.

As at 31 December 2019 there were no instruments with a contracted maturity or re-pricing date in excess of 18 months.

The Company estimates that an increase of 1% in interest rates would positively impact the Company's Statement of profit or loss and Retained profits by $6,000 (2018: $129,000).

Note 3. Financial risk management (continued)

The Company's interest rate profile as at 31 December 2019 was as follows:

	None $'000	Fixed $'000	Variable $'000	Total $'000
Assets				
Debtors less prepayments	3,496	-	-	3,496
Cash and cash equivalents	1,013	-	15,716	16,729
Total financial assets	4,509	-	15,716	20,225
Liabilities				
Creditors	(3,435)	-	-	(3,435)
Total financial liabilities	(3,435)	-	-	(3,435)

Note 3. Financial risk management (continued)

The Company's interest rate profile as at 31 December 2018 was as follows:

	None $'000	Fixed $'000	Variable $'000	Total $'000
Assets				
Debtors less prepayments	2,690	-	-	2,690
Cash and cash equivalents	2,264	-	15,114	17,378
Total financial assets	4,954	-	15,114	20,068
Liabilities				
Creditors	(3,102)	-	-	(3,102)
Total financial liabilities	(3,102)	-	-	(3,102)

Price risk

The Company's activities do not expose it to price risk.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of financial instruments are determined as per the Company's accounting policies.

As at 31 December 2019 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (2018: $Nil).

Credit risk

Credit risk arises from the potential that a counterparty is unable or unlikely to perform an obligation resulting in a loss for the Company. When the Company enters into transactions only when executing on behalf of customers, providing customer access to clearing, or provides additional fee-based services to customers, there does exist short-term credit exposure, prior to clearing and settlement, and outstanding receivables that the Company manages. All counterparties are subject to regular review and assessment by regional credit officers and credit limits are set and approved by the appropriate credit committee. Limits are set based on Group parameters determining the maximum loss any one company (within the Group) can suffer as a result of counterparty default.

The Company has no significant concentrations of credit risk and the maximum exposure is limited to Debtors (Note 13) and Cash and cash equivalents (Note 14).

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This ensures that the Company can meet present and future financial obligations as they fall due and comply with regulatory requirements. The Board Risk Committee monitors free cash resources ensuring that all companies within the Group maintain sufficient resources to finance their operations and that all investments comply with the Enterprise Risk Management Framework. This dictates borrowing and investing limits based on an institution's credit rating and the nature of financial instruments that can be held. The Company's exposure to liquidity risk is considered insignificant.

Note 3. Financial risk management (continued)

The following tables show the maturity of the Company's liabilities:

	On demand $'000	Less than 3 months $'000	3 months to 1 year $'000	More than 1 year $'000	Total $'000
31 December 2019					
Creditors	(2,012)	-	(1,423)	-	(3,435)
	(2,012)	-	(1,423)	-	(3,435)
31 December 2018					
Creditors	(925)	-	(2,177)	-	(3,102)
	(925)	-	(2,177)	-	(3,102)

Capital management

The Company's capital strategy is to maintain an effective and strong capital base which maximises the return to its shareholders, while also maintaining flexibility and ensuring compliance with supervisory regulatory requirements. The capital structure of the Company consists of debt and equity, including Issued capital, Share premium, Other reserves and Retained profits.

The Company seeks to ensure that it has sufficient regulatory capital to meet regulatory requirements.

The regulatory capital level is set in accordance with the FCA's capital requirements. The approach is to hold an appropriate surplus over the minimum. TP ICAP plc evaluates at the Company level the risks facing the business, to determine whether its capital is sufficient to cover any expected losses.

Note 4. Revenue

Revenue by type:

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Brokerage fee income	10,087	13,519
Other income	318	143
Total revenue	10,405	13,662

Other income comprises income outside of the Company's principal activity, which includes the provision of reports and incentive fees from third parties.

Revenue by geographical market:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
EMEA	10,405	13,662

P V M Oil Futures Ltd
Notes to the financial statements
31 December 2019

Note 5. Administrative expenses

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Employments costs (Note 6)	5,928	8,084
Other staff costs	50	52
Travel and entertainment	399	567
Market data and telecommunications	411	989
Professional fees	49	409
Settlement costs	359	322
Service fees	2,103	2,767
Depreciation of tangible fixed assets	-	7
Other administrative costs	662	359
	9,961	13,556

Fees paid to the Company's auditor, Deloitte LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of its parent, TP ICAP plc, include these fees on a consolidated basis.

Fees payable for the audit of the financial statements were $70,031 (2018: $87,276)

Note 6. Employment costs

Employment costs borne by the Company comprise:

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Wages, salaries, bonuses and incentive payments	5,188	7,113
Social security	714	971
Other pension	26	-
Total employment costs	5,928	8,084

For the year ended 31 December 2019, the average number of employees identified as being directly involved in the operation of the Company was 18, comprising of 15 brokers and 3 support staff (2018: 23, comprising of 17 brokers and 6 support staff).

Employment costs were borne by a fellow subsidiary company of TP ICAP plc and were charged to the Company by way of management charges.

Note 7. Directors Remuneration

Remuneration payable to the directors in respect of their services to the Company comprise the following:

	Year ended 31 Dec 2019 Total $'000	Year ended 31 Dec 2019 Highest Paid Director $'000	Year ended 31 Dec 2018 Total $'000	Year ended 31 Dec 2018 Highest Paid Director $'000
Aggregate emoluments	84	36	127	78
Aggregate loss of office	5	-	-	-
	89	36	127	78

As at 31 December 2019, no retirement benefits are accruing to directors (2018: 1) under defined contribution schemes sponsored by TP ICAP plc.

Note 8. Other operating expenses

This represents exchange differences arising on transactions in foreign currencies during the year and on the translation at the balance sheet date of assets and liabilities denominated in foreign currencies.

Note 9. Interest receivable and similar income

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Bank deposit	165	74

Note 10. Interest payable and similar expenses

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Settlement balances and bank overdrafts	14	4

P V M Oil Futures Ltd
Notes to the financial statements
31 December 2019

Note 11. Income tax

Analysis of charge for the year:

	Year ended 31 Dec 2019 $'000	Year ended 31 Dec 2018 $'000
Current tax		
UK Corporation tax - current year	135	49
Deferred tax - current year	3	3
Adjustments in respect of prior years - current tax	12	-
Aggregate income tax	150	52
Deferred tax included in income tax comprises:		
Decrease in deferred tax assets	3	3
Numerical reconciliation of income tax and tax at the statutory rate		
Profit / (loss) before income tax	522	(119)
Tax at the statutory tax rate of 19%	99	(23)
Tax effect amounts which are not deductible in calculating taxable income:		
Expenses not deductible for tax purposes	39	74
	138	51
Deferred tax at different rates	-	1
Adjustments in respect of prior years - current tax	12	-
Income tax	150	52
Effective tax rate	28.7%	19.9%

In the UK, legislation to reduce the corporation tax rate from 20% to 19% from 1 April 2017 and from 19% to 17% from 1 April 2020 has been enacted. UK deferred tax will therefore unwind at a rate of 19% for periods from 1 April 2017 to 31 March 2019 and at a rate of 17% thereafter. The government has announced that the reduction to 17% will not go ahead but this has not as yet been enacted. Therefore the deferred tax balances in these financial statements reflect the current legislation.

In accordance with the Capital Requirements Directive IV (CRD IV) and the associated Capital Requirements (Country-by-Country Reporting) Regulations 2013, the Company will publish additional information at the following web address: www.tpicap.com.

Note 11. Income tax (continued)

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Deferred tax		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Capital allowances	10	13
Other timing differences	2	2
Deferred tax asset	12	15
Movements:		
Opening balance	15	16
Charged to profit or loss	(3)	(3)
Credited to equity	-	2
Closing balance	12	15

Deferred tax asset was disclosed as non-current in the year ended 31 December 2018. Following the directors' decision to prepare the financial statements on an "other than going concern" basis, deferred tax asset has been reclassified to current, in the year ended 31 December 2019.

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Provision for income tax	157	758

Note 12. Non-current assets - Investments

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Investments - shares in Intercontinental Exchange Inc.	-	2
As at 1 January	2	2
Transfer to current assets	(2)	-
As at 31 December	-	2

Investments represent shares held in Intercontinental Exchange Inc., a company listed on the New York Stock Exchange. These shares are valued at fair value by reference to the quoted market price at the balance sheet date.

Investments have been classified from Non-current assets to Current assets in the year ended 31 December 2019, following a decision to prepare the financial statements on a basis other than Going Concern.

P V M Oil Futures Ltd
Notes to the financial statements
31 December 2019

Note 13. Current assets - Debtors

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Trade debtors	3,472	2,542
Expected credit loss	(238)	(15)
	3,234	2,527
Other debtors	-	26
Prepayments and accrued income	56	107
	56	133
Amounts owed by Group related companies	263	138
Expected credit loss	(1)	(1)
	262	137
	3,552	2,797

The majority of net trade debtors which aren't impaired are held with high quality credit institutions. The Company's exposure to credit risk is discussed within the Strategic Report, and Note 3, Financial risk management.

The following trade debtors were unsettled:

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Less than 30 days	714	685
Over 30 days but less than 90 days	608	764
Over 90 days	1,912	1,078
	3,234	2,527

Note 14. Current assets - Cash and cash equivalents

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Cash at bank and in hand	15,754	16,402
Restricted funds	1,013	1,015
Expected credit loss	(38)	(40)
	16,729	17,377

Note 15. Current assets - Investments

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Investments - shares in Intercontinental Exchange Inc.	2	-

As at 1 January	-	-
Transfer from non-current assets	2	-
As at 31 December	2	-

Investments represent shares held in Intercontinental Exchange Inc., a company listed on the New York Stock Exchange. These shares are valued at fair value by reference to the quoted market price at the balance sheet date.

Investments have been classified from Non-current assets to Current assets in the year ended 31 December 2019, following a decision to prepare the financial statements on a basis other than Going Concern.

Note 16. Current liabilities - Creditors

	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Trade creditors	53	53
VAT payable	44	97
Amounts owed to Group related companies	2,012	925
Accruals and deferred income	1,200	1,923
Other taxation and social security	126	104
	3,435	3,102

Note 17. Equity - Issued capital

	As at 31 Dec 2019 Shares	As at 31 Dec 2018 Shares	As at 31 Dec 2019 $'000	As at 31 Dec 2018 $'000
Allotted, issued and fully-paid ordinary shares of £1 each	500,001	500,001	757	757

Note 18. Equity - Share premium

The Share premium includes the value of the proceeds above nominal on issue of the Company's share capital.

Note 19. Guarantees and contingent liabilities

There are no individual matters which are considered to pose a significant risk of material adverse financial impact on the Company's results or net assets.

Note 20. Events after the reporting period

Subsequent to year end, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the world. As at the date of this report, the COVID-19 outbreak is resulting in governments around the world, including the UK, putting restrictions in place regarding the movement of people, leading to widespread disruption and significant market volatility. This has impacted the global financial markets severely. In response, the Group, including the Company, has activated its Business Continuity Planning strategies to safeguard the wellbeing of its employees, the continuation of its operations and the support of its clients. The full extent of how these conditions will impact the Company are not yet known as there is uncertainty around the duration and severity. Therefore, while we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Company has a positive net asset value and cash reserves available to help preserve its financial flexibility.

Note 21. Immediate and ultimate parent company

The Company's immediate parent is Tullett Prebon Investment Holdings Limited, which does not prepare consolidated financial statements.

The Company's ultimate parent and controlling party is TP ICAP plc, which is incorporated in England and Wales, and heads the largest and smallest group of companies of which the Company is a member. TP ICAP plc prepares consolidated financial statements in accordance with IFRS. Copies of TP ICAP plc financial statements are available from the registered office: Floor 2, 155 Bishopsgate, London, England EC2M 3TQ.