
THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

AUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

COMPANY INFORMATION

Directors

Mr Tarek Ezzat Mohamed ABDELBARY
Mr Stephane Albert BERNARD
Ms Zazil Aurora Miranda GONZALEZ
Mr Marc HONEGGER
Ms Emma Louise KALLIOMAKI
Mr Paul Daniel KUHNEL
Mr Uwe MEYER
Mr Scott Jay PREISS
Ms Sojourner Truth SUTTON
Mr Torsten ULRICH

Registered number

10542063

Registered office

Cannon Place, 78 Cannon Street
London
EC4N 6HL

Accountants

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

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THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the period ended 31 December 2017.

Company number: 10542063

Principal Activity

The principal activity of the company is that of the supply of reference data, ISIN's.

Business Review

The company was incorporated on the 29th December 2016, and 2017 was the first year of trading for the Derivatives Service Bureau (DSB) Limited which required considerable investment to build the solution to assign, manage, maintain, support and develop ISIN identifiers and their associated reference data for over the counter (OTC) derivatives. The work undertaken was successfully completed on time and within budgeted cost. Losses have been incurred on the basis cost recovery invoicing only commenced from the launch of the production environment in October 2017. Aligned with the cost recovery principle and including invoicing annually in advance, 2018 will see the full value of expected operating costs to be recovered

Directors of the company

The directors who held office during the period were as follows:

Mr TEM Abdelbary (appointed 12 April 2017)
Mr SA Bernard (appointed 25th September 2017)
Ms ZAM Gonzalez (appointed 12th April 2017)
Mr M Honegger (appointed 12th April 2017)
Ms EL Kalliomaki (appointed 14th March 2017)
Mr PD Kuhnel (appointed 12th April 2017)
Mr Uwe Meyer (appointed 29th December 2016)
Mr Scott Jay Preiss (appointed 12th April 2017)
Ms ST Sutton (appointed 12th April 2017)
Mr Torstein Ulrich (appointed 12th April 2017)

Political contributions

No contributions were made to a political party during the year

Employees

The company has no employees

Strategic Report

The company has taken advantage of the exemption contained in section 414B of the Companies Act 2006 not to prepare a Strategic report as it is eligible to prepare its financial statements in accordance with the small companies' regime.

Results and dividends

The loss for the period ended 31 December 2017 was €2,472,534. The directors do not recommend the payment of a dividend.

THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

Going Concern

The company's financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the directors have a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By order of the board



E Kalliomaki
Director

Date 18th October 2018

Cannon Place, 78 Cannon Street,
London, EC4N 6HL

THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

This report was approved by the board and signed on its behalf.



E. Kalliomaki
Director

Date: 18th October 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
DERIVATIVES SERVICE BUREAU (DSB)
LIMITED**

Opinion

We have audited the financial statements of The Derivatives Service Bureau (DSB) Limited ("the company") for the period ended 31 December 2017, which comprise the Statement of Income and Statement of Financial Position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

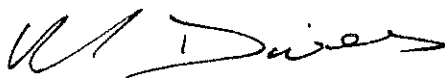
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Matthew Davies
(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

19 October 2018

THE DERIVATIVES SERVICE BUREAU (DSB) LIMITED

STATEMENT OF INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2017

	Note	2017 ¹ €
Turnover		2,557,267
Cost of sales		(5,138,185)
Gross profit		(2,580,918)
Administrative Expenses		(298,682)
Operating Profit		(2,879,600)
Interest receivable/(Payable)		(211,068)
Profit/(Loss) before tax		(3,090,668)
Tax on (profit)/ Losses		618,134
Profit/(Loss) after tax		(2,472,534)
Retained earnings at the beginning of the period		NIL
Profit/(loss) for the period		(2,472,534)
Dividends declared and paid		NIL
Retained earnings/ (Losses) at the end of the period		(2,472,534)

The notes on pages 8 to 11 form part of these financial statements.

¹ The period is the 29th December 2016 – 31st December 2017

THE DERIVATIVE SERVICE BUREAU (DSB) LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note		2017 £
Fixed assets			
Tangible Assets			NIL
Current Assets			
Debtors: Amounts falling due within one year	4	4,181,208	
Cash at bank and in hand		7,288,073	
		<u>11,469,281</u>	
Creditors: amounts falling due within one year	5	(8,941,694)	
Net current assets			2,527,587
Total assets less current liabilities			<u> </u>
Creditors : amounts falling due after one year	6		(3,000,000)
Net Assets			<u> </u> <u>(427,413)</u>
Capital and reserves			
Called up share capital	7		202
Share premium account			1,999,919
Profit and loss account			(2,472,534)
			<u> </u> <u>(427,413)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

18th October 2018

E Kalliomaki
Director



U Meyer
Director



The notes on pages 8 to 11 form part of these financial statements.

THE DERIVATIVE SERVICE BUREAU (DSB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017

1. General information

The Derivative Service Bureau (DSB) Limited (company number: 10542063) is a private company limited by shares and is incorporated, domiciled and registered in England in the UK. The address of its Registered Office is Cannon Place, 78 Cannon Street, London, EC4N 6HL.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Section 1A of the Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is EURO. All amounts in the financial statements have been rounded to the nearest €1.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. The directors are of the opinion that due to the nature of the business, there are no critical accounting estimates or judgments used in the preparation of these financial statements.

The financial statements have been prepared under the historical cost convention.

The company's financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the directors have a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

THE DERIVATIVE SERVICE BUREAU (DSB) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.3 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.4 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.6 Current and deferred taxation

The current income tax recoverable is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

The deferred tax asset represents tax losses which are expected to be utilized by the company in the future.

2.7 Expenses

Cost of sales	2017
	€
Direct Costs	
Subcontract Costs	4,028,679
IT Costs	<u>1,109,506</u>
	<u>5,138,185</u>

THE DERIVATIVE SERVICE BUREAU (DSB) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.7 Expenses (cont'd)

Administration Expenses	2017
	€
Travel Expenses	49,019
Legal and Professional	218,418
Accountancy and Audit	9,103
Bank Charges	475
FX Loss	<u>21,667</u>
	<u>298,682</u>

Admin expenses are classified as those costs charged direct to the company rather than through subcontracted costs which are treated as cost of sales.

3. Employees

There were no salaried employees of the Company

4 Debtors

	2017
	€
Trade debtors	2,372,424
Deferred Tax	618,134
Prepayments	18,598
Accrued income	1,172,052
	<u>4,181,208</u>

5. Creditors: Amounts falling due within one year

	2017
	€
Trade creditors	175,575
Other taxation and social security	644,824
Loan	1,000,000
Accruals	1,677,536
Deferred income	5,390,499
Interest Payable on Loans	53,260
	<u>8,941,694</u>

6 Creditors: Amounts falling due after one year

Long Term Loans (due for repayment 31/12/2021)	<u>3,000,000</u>
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THE DERIVATIVE SERVICE BUREAU (DSB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

7. Share capital

	2017
	€
Shares classified as equity	
Allotted, called up and fully paid	
180 Ordinary shares of €1.125 each	<u>202</u>
Share Premium Account – includes premium received on issue of share capital	<u>1,999,919</u>