REGISTERED NUMBER: 07278142 (England and Wales)

DTCC DERIVATIVES REPOSITORY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS:	Christopher Childs Anthony Deluca Illa Eckhoff John Gidman Alberto Giovannini Anthony Fraser Erica Leslie Horan William Francis Hughes Leda Mehilli Todd Gerald Primavera Oliver Stuart Veronique Sani Larry Eugene Thompson Nicolas Veron Kathryn Patricia Wallis Valentino Wotton
SECRETARY:	D Bray
REGISTERED OFFICE:	1 Snowden Street Broadgate West London EC2A 2DQ
REGISTERED NUMBER:	07278142 (England and Wales)
AUDITOR:	Deloitte LLP Chartered Accountants London, UK

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

This strategic report has been prepared for DTCC Derivatives Repository Ltd ("DDRL" or the "Company") as a whole and therefore gives greater emphasis to those matters which are significant to the Company when viewed as a whole.

REVIEW OF THE BUSINESS

DTCC Derivatives Repository Ltd is a wholly-owned subsidiary of DTCC (UK) Limited, whose ultimate parent undertaking is the Depository Trust and Clearing Corporation (DTCC).

During the year the company relinquished its 100% shareholding in EDC B.V. through a dividend in specie as part of a group reorganisation which sought to realign group companies following recent acquisitions within the group. Following this transaction an agreement has been put in place between EDC B.V. and DDRL regarding the provision of data centre services by EDC B.V. to DDRL.

DDRL is a company organized under the laws of England and Wales and is registered as a trade repository with the Financial Conduct Authority (the "FCA"). DDRL operates in the European Union (the "EU") and is regulated by both the FCA and the European Securities and Markets Authority ("ESMA"). DDRL also operates in Hong Kong, where it has a contractual relationship with the Hong Kong Monetary Authority (the "HKMA).

It was conceived as a repository for Equity OTC Derivative contracts, and subsequently expanded to include a copy of the US-based Warehouse Trust data (mainly to include Credit OTC Derivative contracts).

DDRL provides an array of services that address the derivatives industry's needs for enhanced regulatory reporting and advanced solutions to manage risk and reduce cost. Together with other DTCC Global Trade Repository "GTR" subsidiaries, DDRL supports a multitude of data submissions for OTC derivatives transactions including real-time price reporting, transaction details, confirmation records and valuation data. The GTR subsidiaries, which operate around the world, hold detailed data on OTC derivatives transactions. They provide transparency for identifying and measuring systemic risk and provide regulators with information into this $650 trillion market. The GTR subsidiaries operate on three continents, enabling users to meet their regulatory reporting obligations, wherever they are located, in an open, cost-effective and efficient manner via a single global platform.

In Europe alone, the GTR enables over 5,000 firms to meet their EMIR (European Markets Infrastructure Regulation) reporting requirements and achieve efficient and cost-effective compliance with evolving global regulations. It has been one of the first repositories to be approved by the local regulator, ESMA, in November 2013. Today it is by far the biggest trade repository in the competitive European marketplace.

KEY PERFORMANCE INDICATORS

DDRL will measure its performance against two key metrics:

- system uptime (measured as a percentage of total time); and
- timeliness of regular reporting (measured as a percentage of the total reports delivered).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's activities expose it to a variety of risks: market risk (including fair value interest rate risk and cash flow interest rate risk), counterparty risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Cash Flow and Fair Value Interest Rate Risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates.

Counterparty Risk

Counterparty risk arises from cash and cash equivalents, trade accounts receivables, investment accounts and intercompany receivable from its ultimate parent company.

The Company maintains cash and cash equivalents with various financial institutions and the Company's policy is designed to limit exposure to any one institution. As part of its risk management processes, the Company performs periodic evaluations of the relative credit standing of the financial institutions with whom it places funds. The Company generally makes deposits with financial institutions having a credit rating of at least A-/A3 or better from recognized rating agencies and that are approved via its internal credit review process. The Company also monitors the condition of the financial institutions with whom it places funds on an ongoing basis to identify any significant change in an institution's financial condition. If such a change takes place, the amounts deposited with such financial institutions may be adjusted..

Counterparty Risk (continued)

As at 31 December 2014 and 2013, the trade receivables of $7,602,077 and $5,665,791 were aged less than six months and reserved for, based on the Company's allowance policies. Given the blue-chip status of DDRL's clients, trade receivables are not deemed to be a significant risk. All clients undergo a thorough onboarding process before being accepted as clients.

The Company does not hold any financial assets which have been deemed impaired. There were no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

Liquidity Risk and Capital Management

Liquidity risk is the risk that the Company is unable to meet its payment obligations when they fall due. Liquidity risk is managed by the provision of facilities to meet short-term imbalances between available cash and payment obligations. All financial assets and liabilities mature or are payable within one year.

During the year, the company received an intercompany loan from DTCC of $6,000,000. The loan is of rolling one month duration and is interest bearing. The proceeds of the loan will be used to supplement DDRL's liquidity resources.

During the period, the Company defined its capital as share capital and accumulated profit. On that basis, the total capital of the Company as at 31 December 2014 and 2013 was $33,309,919 and $20,187,891, respectively. The Company was initially capitalized with $95,000 of called up capital and a subsequent contribution of $250,000 in 2011. The company received additional capital contributions of $8,000,000 in 2013.

The Company is subject to regulatory capital requirements of ESMA. The Company was in compliance with these requirements at the year end and throughout the period.

Sensitivity analysis

The directors do not consider sensitivity to changes in interest rates and exchange rates to be material in the context of these financial statements.

GOING CONCERN

The directors have formed a judgement, based upon their knowledge of the Company's business that its resources will be sufficient to cover its expenses for the foreseeable future. Based upon this factor, the directors have a reasonable expectation that the Company has adequate resources 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.

ON BEHALF OF THE BOARD:

....
Christopher Childs, Director

Date: 23/6/2015

GENERAL INFORMATION

The directors present their report and financial statements (which comprise the Statement of Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flow and the related notes) for DTCC Derivatives Repository Ltd ("DDRL" or the "Company") as of and for the years ended 31 December 2014 and 2013.

DTCC Derivatives Repository Ltd is a wholly-owned subsidiary of DTCC (UK) Limited, whose ultimate parent undertaking is the Depository Trust and Clearing Corporation (DTCC).

RESULTS AND DIVIDENDS

The results of the Company are set out in the Statement of Comprehensive Income on page 7. The directors do not recommend the payment of a final dividend (2013: $nil). During the year, a dividend in specie was paid from retained earnings of $25,988 (2013: $nil) as part of the sale of EDC B.V.

PRINCIPAL ACTIVITIES

DDRL is a company organized under the laws of England and Wales and is registered as a trade repository with the Financial Conduct Authority (the "FCA"). DDRL operates in the European Union (the "EU") and is regulated by both the FCA and the European Securities and Markets Authority ("ESMA"). DDRL also operates in Hong Kong, where it has a contractual relationship with the Hong Kong Monetary Authority (the "HKMA).

It was conceived as a repository for Equity OTC Derivative contracts, and subsequently expanded to include a copy of the US based Warehouse Trust data (mainly to include Credit OTC Derivative contracts). The main purpose of the repository is to create a centralised and standardised database to collect and maintain data elements of OTC contracts.

Following ESMA approval in November 2013, DDRL increased its repository remit to operate a multi-asset class derivatives repository in Europe. Reporting for all five derivatives asset classes – credit, interest rate, equity, FX and commodities, this business commenced on 12 February 2014 and was a significant undertaking for the industry.

DIRECTORS

The following Directors held office throughout the year and to the date of approval of this report (except where otherwise shown):

James Wishart Alexander – retired 11 March 2014
Mike Bodson – retired 18 March 2014
Richard James Brough – retired 1 July 2014
Alexander Masson Broderick – appointed 28 March 2014, retired 15 August 2014
Christopher Childs – appointed 3 March 2015
Anthony Deluca
Illa Eckhoff
John Gidman
Alberto Giovannini
Anthony Fraser
Erica Leslie Horan
John Hosking – retired 11 March 2014
William Francis Hughes
Stewart Macbeth – retired 1 July 2014
Stuart McClymont – retired 11 March 2014
Ian McLelland – appointed 15 August 2014, retired 1 April 2015
Leda Mehilli – appointed 20 May 2014
Robin Perlen – retired 3 April 2014
Todd Gerald Primavera
Paul Puskuldjian – retired 5 June 2014
Oliver Stuart
Veronique Sani
Larry Eugene Thompson – appointed 28 April 2014
Nicolas Veron
Kathryn Patricia Wallis – appointed 2 July 2014
Valentino Wotton – appointed 2 July 2014

Individuals are selected to serve on the Board of Directors based on their ability to provide broad industry insight and counsel. Board committees may be specifically structured to help achieve key development objectives for DDRL. Directors are appointed either through ordinary resolution or by a decision of the current directors and serve until the appointment is terminated through resignation or as otherwise set out in the Company's Articles of Association. The directors are indemnified through insurance provided at the ultimate parent level.

DIRECTORS' INDEMNITY

DTCC, of which DDRL is a member, has made indemnity provisions for the benefit of the directors of DDRL against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. These provisions were in force at the date of this report.

STAFF

It is the policy of both DDRL and DTCC to ensure that no staff members or job applicants face discrimination on the grounds of ethnic origin, race, religion, gender, sexual orientation, age or disability.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards (IFRSs) as adopted for use in the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors of the Company at the date when this report is approved confirms that:

- So far as each of the Directors is aware, there is no relevant audit information (being information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and

- Each of the Directors 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.

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

INDEPENDENT AUDITOR

Deloitte LLP has expressed their willingness to continue in office as auditor of the Company and, under Sections 485 to 488 of the Companies Act 2006, will be deemed to be re-appointed.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

....
Christopher Childs, Director

Date: 23/6/2015

We have audited the financial statements of DTCC Derivatives Repository Limited as of and for the year ended 31 December 2014 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, Statement of Cash Flows and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

James Polson (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date: 25/06/2015

DTCC DERIVATIVES REPOSITORY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 US$	2013 US$
REVENUES:			
Data and repository services		91,187,798	39,201,749
Service fee income		33,674,073	-
Total revenues		124,861,871	39,201,749
Cost of sales		55,982,889	-
Gross profit		68,878,982	39,201,749
EXPENSES:			
Employee compensation and related benefits		18,465,347	7,163,219
Professional and other services		7,381,519	3,131,121
Information technology		8,344,896	5,094,792
Occupancy		1,069,082	1,113,185
Other general and administrative		16,031,063	12,093,868
Total expense		51,291,907	28,596,185
Profit before taxes	6	17,587,075	10,605,564
Income tax expense	7	4,439,059	2,490,934
Profit for the year		13,148,016	8,114,630

All operations were continuing in the current and prior year.

There is no other comprehensive income in the current and prior year.

The accompanying notes on pages 11 to 17 are an integral part of these financial statements.

DTCC DERIVATIVES REPOSITORY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 US$	2013 US$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	32,173,133	21,115,830
Trade receivable	9	8,634,077	5,665,791
Other current assets		2,434,486	-
Total current assets		43,241,696	26,781,621
NON-CURRENT ASSETS			
Investment in subsidiary	8	-	25,988
Total non-current assets		-	25,988
TOTAL ASSETS		43,241,696	26,807,609
LIABILITIES AND MEMBERS' EQUITY			
CURRENT LIABILITIES			
Taxes payable		3,931,777	1,982,352
Other current liabilities		-	4,637,366
Intercompany note payable	10	6,000,000	-
Total current liabilities		9,931,777	6,619,718
TOTAL LIABILITIES		9,931,777	6,619,718
EQUITY			
Called up share capital	11	95,000	95,000
Capital contribution		8,250,000	8,250,000
Retained earnings		24,964,919	11,842,891
Total members' equity		33,309,919	20,187,891
TOTAL LIABILITIES AND MEMBER'S EQUITY		43,241,696	26,807,609

The accompanying notes on pages 11 to 17 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 6/23 2015 and were signed

on it's behalf by ....

Christopher Childs, Director

DTCC DERIVATIVES REPOSITORY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Called up share capital US$	Capital contribution US$	Retined earnings US$	Total equity US$
BALANCE - December 31, 2012	95,000	250,000	3,728,261	4,073,261
Capital Contribution	-	8,000,000	-	8,000,000
Profit for the year	-	-	8,114,630	8,114,630
BALANCE - December 31, 2013	95,000	8,250,000	11,842,891	20,187,891
Dividend in Specie	-	-	(25,988)	(25,988)
Profit for the year	-	-	13,148,016	13,148,016
BALANCE - December 31, 2014	95,000	8,250,000	24,964,919	33,309,919

The accompanying notes on pages 11 to 17 are an integral part of these financial statements.

DTCC DERIVATIVES REPOSITORY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 US$	2013 US$
Cash Flows from operating activities			
Cash generated from operations	5	5,057,303	9,495,051
Cash flows from financing activities			
Proceeds from intercompany notes payable	10	6,000,000	-
Capital contribution		-	8,000,000
Net cash from financing activities		6,000,000	8,000,000
Increase in cash and cash equivalents		11,057,303	17,495,051
Cash and cash equivalents at the beginning of year		21,115,830	3,620,779
Cash and cash equivalents at end of year		32,173,133	21,115,830

The accompanying notes on pages 11 to 17 are an integral part of these financial statements.

1. BASIS OF PREPARATION

A. General

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Interpretations Committee (IFRIC) interpretations issued by the International Accounting Standards Board (IASB) effective for 2014 reporting and with those parts of the Companies Act 2006 applicable to companies reporting under IFRSs. A summary of significant accounting policies is set out below. All accounting policies have been applied consistently.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates as reflected in note 2. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

B. Adoption of New and Revised Standards

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2014.

Annual Improvements 2010-2012 Cycle.
In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, which included an amendment to IFRS 13 Fair Value Measurement. The amendment to IFRS 13 is effective immediately and, thus, for periods beginning at 1 January 2014, and it clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment to IFRS 13 has no impact on the Company.

Annual Improvements 2011-2013 Cycle.
In the 2011-2013 annual improvements cycle, the IASB issued four amendments to four standards, which included an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 is effective immediately and, thus, for periods beginning at 1 January 2014, and clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. This amendment to IFRS 1 has no impact on the Company, since the Company is an existing IFRS preparer.

C. Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The Company is currently assessing the impact of IFRS 9 and plans to adopt the new standard on the required effective date.

IFRS 15 Revenue from Contracts with Customers
IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

C. Standards issued but not yet effective (continued)

Annual improvements *2010-2012 Cycle*
These improvements are effective from 1 July 2014 and are not expected to have a material impact on the Company. They include:
IFRS 2 Share-based Payments
IFRS 3 Business Combinations
IFRS 8 Operating Segments
IAS 16 Property, Plant and Equipment
IAS 24 Related Party Disclosures
IAS 38 Intangible Assets

Annual improvements 2011-2013 Cycle
These improvements are effective from 1 July 2014 and are not expected to have a material impact on the Company. They include:
IFRS 3 Business Combinations
IFRS 13 Fair Value Measurement
IAS 40 Investment Property

D. The Going Concern Assumption

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 3.

The directors have formed a judgement, based upon their knowledge of the Company's business that its resources will be sufficient to cover its expenses for the foreseeable future.

Taking all of these factors into consideration, the directors believe it is reasonable to assume that the Company will have access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Functional Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which DDRL operates ("the functional currency"). The financial statements are presented in US Dollars, which is the functional and presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Income.

B. Taxation

Current Tax - The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the financial statement date.

Deferred Tax - Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

C. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand and deposits held on call with banks.

D. Revenue Recognition

Revenue consists of data and repository services and service fees income, which in turn consist of transaction fees, membership fees and support services. Revenue from transaction fees and support revenue is recognized when services are provided while membership is recognized rateably over the contract term. Service fee income represents DDRL's guaranteed compensation for its local trade repository support services provided to DTCC DerivSERV LLC ("DerivSERV") as set forth in the Data Repository Operating Agreement between the two companies.

E. Cost of Sales

Cost of sales consists of client revenues from the GTR business which are transferred at a rate of 100% to DerivSERV in accordance with the Data Repository Operating Agreements signed between the two companies, whereby DerivSERV assumes all of the commercial risk associated with DDRL's performance and DDRL earns guaranteed compensation as described above and defined as service fee income.

F. Allowance for doubtful debts

Accounts receivable are stated at cost, net of an allowance. The Company establishes an allowance for doubtful accounts receivable to ensure the Company has not overstated receivable balances due to uncollectibility. The Company determines the need for an allowance based on a variety of factors, including the length of time receivables are past due, macroeconomic conditions, historical experience and the financial condition of customers and other debtors.

G. Key Accounting Judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Management makes estimates regarding the collectability of receivables, the outcome of litigation, the realization of deferred taxes, fair value measurements, and other matters that affect the reported amounts. Estimates, by their nature, are based on judgment and available information; therefore, actual results could differ materially from those estimates.

3. DIRECTORS EMOLUMENTS

	2014 US$	2013 US$
Highest paid director		
Total emoluments	525,091	-
Amounts (excluding shares) receivable under long-term incentive schemes	485,819	-
	1,010,910	-

No share options are held by the highest paid director in 2014 and 2013.

Only one director is remunerated directly by the Company, other directors' emoluments and pension details are discussed in the DTCC group financial statements. Where the directors are remunerated by fellow group companies for their services to the group as a whole, it is not practicable to allocate their remuneration between their services as directors of this Company and their services as directors of other group companies.

4. STAFF COSTS

	2014 US$	2013 US$
Wages and salaries	4,087,808	-
Social security costs	493,638	-
Other pension costs - defined contribution	162,716	-
	4,744,163	-

Average monthly number of employees during the year	2014 Number	2013 Number
Administration and General	12	-
	12	-

The average number of employees includes directors of the Company.
Staff costs represents only employees employed directly by DDRL and does not include costs from centrally allocated employees.

5. RECONCILIATION OF OPERATING PROFIT TO CASH GENERATED BY OPERATIONS

	2014 US$	2013 US$
Profit before tax on continuing operations	17,587,075	10,605,564
(Decrease) in intercompany payables	(6,975,166)	(445,413)
(Increase)/Decrease in trade receivables	(2,968,286)	1,053,238
Cash generated by operations	7,643,623	11,213,389
Income taxes paid	(2,586,320)	(1,718,338)
Net cash from operating activities	5,057,303	9,495,051

6. PROFIT BEFORE TAXATION

The profit before income tax is stated after charging:

	2014 US$	2013 US$
Auditor remuneration	135,068	86,741
Foreign exchange differences	161,123	4,671

7. TAXATION

Analysis of the tax charge/(credit)

A liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2014 and for the year ended 31 December 2013. The tax charge for the year can be reconciled to the statements of income as follows:

	2014 US$	2013 US$
Profit before tax on continuing operations	17,587,075	10,605,564
Tax at UK corporation tax rate of 21.5% (2013:23.25%)	3,781,221	2,465,794
Tax effect of expenses not deductible in determining taxable profit	494,500	4,866
Adjustments in respect of prior years	163,338	20,274
Total tax charge	4,439,059	2,490,934

The UK corporation tax rate applying to DTCC Derivatives Repository Limited was 21.5% (2013: 23.25%) of the estimated assessable profits for the year.

Finance Act 2013 (enacted 17 July 2013) reduced the main rate from 23% to 21% effective from 1 April 2014 and further reduced the rate to 20% effective from 1 April 2015. The reduction in the main rate of corporation tax in 2014 results in a weighted average rate of 21.5% (2013: 23.25%). The estimated financial effect of the further rate reduction in 2015 is considered insignificant.

8. INVESTMENT IN SUBSIDIARY COMPANY

In 2014, the company relinquished its investment in EDC B.V., a Netherlands Company which operates as a data centre, as part of a group reorganisation. This was done through a dividend in specie from retained earnings. Accordingly, no profit or loss was recognised on this common control transaction. Following the reorganisation an agreement has been put in place between EDC B.V. and DDRL regarding the provision of data centre services.

Investments in subsidiaries as at 31 December 2014 and 2013, of $nil and $25,988 are measured at cost, less any impairment provisions.

The Company is exempt under section 401 of the Companies Act 2006 from producing group accounts on the basis that DDRL is a wholly-owned subsidiary of DTCC, which is a company incorporated in the United States of America and produces consolidated financial statements available for public use. Copies of its financial statements can be obtained from www.dtcc.com.

9. TRADE RECEIVABLE

	2014 US$	2013 US$
Trade receivable (gross)	10,192,779	5,665,791
Allowance for doubtful debts and other revenue reserves	(1,558,702)	-
Trade receivable (net)	8,634,077	5,665,791

The carry value of the receivables is equal to the fair value at 31st December 2014.
No credit terms are given to clients, all trade receivables are payable on demand.
The allowance for doubtful debts forms part of 'Other General and Administrative' expenses on the Statement of Comprehensive Income

	2014 US$	2013 US$
Ageing of past due trade receivables:		
0 - 30 days	5,989,057	5,665,791
31-60 days	2,476,662	-
61 - 90 days	434,890	-
91+ days	1,292,170	-
Total	10,192,779	5,665,791

10. INTERCOMPANY NOTE PAYABLE

During the year, DDRL received and intercompany Loan from DTCC of $6,000,000. The loan was issued on 27 October 2014 and has a rolling one month duration. The loan is interest bearing at a rate of 1-month LIBOR plus 130 basis points and repayable in full. The proceeds of the loan will be used to supplement DDRL's liquidity resources. The carry value of the loan is equal to the fair value at 31 December 2014.

11. CALLED UP SHARE CAPITAL

As at 31 December 2014 and 2013, 95,000 ordinary shares with a par value of $1 per share, were outstanding.

12. RELATED PARTY DISCLOSURES

Outstanding balances at the end of the year are unsecured and are settled in cash. There were no guarantees provided or received in relation to any related party payables. Intercompany balances are repayable upon demand, are unsecured and will be settled in cash. No provisions for doubtful debts have been made with respect to these balances.

Details of the transactions with DTCC which have passed through the statement of income during the year, together with details of amounts due to and from DDRL at 31 December 2014 and 31 December 2013 are set out below:

	Income attributable to related parties USD$	Expenses attributable to related parties USD$	Amounts due from related parties USD$	Amounts due to related parties USD$
2014				
Service fee income from intercompany	33,674,073			
Service charges from intercompany		51,291,907		
Loan notes issued				6,000,000
DTCC intercompany balance			2,460,474	
Corporation tax group relief				259,000
2013				
Service charges from intercompany		28,596,185		
DTCC intercompany balance				4,688,367
Corporation tax group relief				51,000

13. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking and controlling entity and the parent of the largest and smallest company of which the Company is a member and for which Company financial statements are prepared is DTCC which is incorporated in the United States of America. Copies of its financial statements can be obtained from www.dtcc.com.