

**REGISTRAR OF COMPANIES**

**Global Market Index Limited**

**Directors' report and financial  
statements**

For the year ended 31 August 2016

Registered number: 07736428

TUESDAY



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COMPANIES HOUSE

**Company Information**

<b>Directors</b>	C Chao A Ebid S J Holmes F Zhao
<b>Company secretary</b>	S J Holmes
<b>Registered number</b>	07736428
<b>Registered office</b>	125 Old Broad Street London EC2N 1AR
<b>Independent auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Contents

	Page
Directors' report	1 - 2
Strategic report	3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 17

## Directors' report

For the year ended 31 August 2016

The directors present their report together with the Strategic report and the financial statements of Global Market Index Limited ('the Company') for the year ended 31 August 2016.

### Directors' responsibilities statement

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The directors are responsible for preparing the Directors' report, the Strategic 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### Results and dividends

The loss for the year, after taxation, amounted to £150,286 (2015 - loss £89,012).

### Directors

The directors who served during the year were:

C Chao  
A Ebid  
B Ling (resigned 15 December 2016)  
P Dufresne (resigned 30 June 2016)  
D L Hornstein (resigned 27 April 2016)  
S Holmes (appointed 25 November 2016)  
F Zhao (appointed 25 November 2016)

### Future developments

We plan to add more liquidity providers so we can diversify our liquidity sources. We also plan to build our own MT4 liquidity bridge and price aggregator. We plan to sign up our first major Japanese broker who will be using our custom tailored technology and liquidity solutions. We also plan to hire an institutional B2B sales team in London during 2017.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Directors' report (continued)**

For the year ended 31 August 2016

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

This report was approved by the board on 20 December 2016 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'S J Holmes', is positioned above the printed name and title.

S J Holmes  
Director

## Strategic report

For the year ended 31 August 2016

### Principal activity

Global Market Index Limited provides access to online trading for financial products including FX and CFD's for professional clients and ECP's.

### Business review

GMI has established relationships with two companies that have allowed us to white label their platform. We therefore can offer our clients access to award winning platforms under the GMI brand name. GMI currently lease an office in the City of London where the primary business activity takes place. Our business model and FCA permissions only allows us to act as matched principal so no risk is taken on any client trades. This was the first year we had obtained our FCA licence and therefore could be described as a start up year with our first client's trading commencing only 15 days before our accounting year end.

### Principal risks and uncertainties

GMI's principal risks include market risks while offering leveraged products for clients to trade. GMI attempts to control risks involved by maintaining same leverage standard as counter-party. Due to volatile markets and unexpected news announcements it is possible for us lose our company money together with our clients ; if the market is unstable they may wish to wait to engage in trading or if a market event causes a massive loss for investors we could lose a large part of our client base.

### Financial key performance indicators

Key performance indicators will include but not be limited to the following: amount of new customers, deposits, trading volumes, customer retention and affiliate referrals. These will indicate that the business is growing and generating more profit. Our return on assets is (12.6)%. However, this was the first year of trading and therefore it is expected to improve in future years.

This report was approved by the board on 20 December 2016 and signed on its behalf.



**S J Holmes**  
Director

## **Independent auditor's report to the members of Global Market Index Limited**

For the year ended 31 August 2016

We have audited the financial statements of Global Market Index Limited for the year ended 31 August 2016, set out on pages 6 to 17. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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 Financial Reporting Council's Ethical Standards for Auditors.

The figures for the year ended 31 August 2015, presented as comparatives, are unaudited.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 August 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements.

## **Independent auditor's report to the members of Global Market Index Limited**

For the year ended 31 August 2016

### **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.



Peter Chapman (Senior statutory auditor)  
for and on behalf of  
**Buzzacott LLP**  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

20 December 2016



## Statement of comprehensive income

For the year ended 31 August 2016

	Note	2016 £	(Unaudited) 2015 £
Revenue	4	399	184
Cost of sales		(284)	(12,527)
<b>Gross profit/(loss)</b>		<b>115</b>	<b>(12,343)</b>
Administrative expenses		(150,181)	(76,573)
<b>Operating loss</b>	5	<b>(150,066)</b>	<b>(88,916)</b>
Interest payable and expenses	8	(220)	(96)
<b>Loss before tax</b>		<b>(150,286)</b>	<b>(89,012)</b>
<b>Loss for the year</b>		<b>(150,286)</b>	<b>(89,012)</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>(150,286)</b>	<b>(89,012)</b>

The notes on pages 10 to 17 form part of these financial statements.

## Balance sheet

As at 31 August 2016

	Note	2016 £	2016 £	(Unaudited) 2015 £	(Unaudited) 2015 £
<b>Fixed assets</b>					
Tangible assets	9		1,133		-
			<u>1,133</u>		<u>-</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	10	1,043,546		14,071	
Cash at bank and in hand	11	145,735		98,950	
		<u>1,189,281</u>		<u>113,021</u>	
Creditors: amounts falling due within one year	12	(1,011,273)		(132,775)	
<b>Net current assets/(liabilities)</b>			<u>178,008</u>		<u>(19,754)</u>
<b>Total assets less current liabilities</b>			<u>179,141</u>		<u>(19,754)</u>
Creditors: amounts falling due after more than one year			(536)		(41,297)
<b>Net assets/(liabilities)</b>			<u><u>178,605</u></u>		<u><u>(61,051)</u></u>
<b>Capital and reserves</b>					
Called up share capital	14		399,942		10,000
Share premium account	15		46,230		46,230
Profit and loss account	15		(267,567)		(117,281)
			<u><u>178,605</u></u>		<u><u>(61,051)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 December 2016.

  
S J Holmes

Director

The notes on pages 10 to 17 form part of these financial statements.

## Statement of changes in equity

For the year ended 31 August 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 September 2015	10,000	46,230	(117,281)	(61,051)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(150,286)	(150,286)
<b>Total comprehensive income for the year</b>	-	-	(150,286)	(150,286)
Shares issued during the year	389,942	-	-	389,942
<b>Total transactions with owners</b>	389,942	-	-	389,942
<b>At 31 August 2016</b>	<b>399,942</b>	<b>46,230</b>	<b>(267,567)</b>	<b>178,605</b>

## Statement of changes in equity

For the year ended 31 August 2015

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 September 2014	10,000	46,230	(28,269)	27,961
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(89,012)	(89,012)
<b>Total comprehensive income for the year</b>	-	-	(89,012)	(89,012)
<b>At 31 August 2015</b>	<b>10,000</b>	<b>46,230</b>	<b>(117,281)</b>	<b>(61,051)</b>

The notes on pages 10 to 17 form part of these financial statements.

## Statement of cash flows

For the year ended 31 August 2016

	2016 £	(Unaudited) 2015 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(150,286)	(89,012)
<b>Adjustments for:</b>		
Depreciation of tangible assets	567	-
Interest paid	220	96
(Increase) in debtors	(997,041)	(14,071)
Increase in creditors	949,793	128,854
<b>Net cash generated from operating activities</b>	<b>(196,747)</b>	<b>25,867</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,700)	-
<b>Net cash from investing activities</b>	<b>(1,700)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	389,942	-
Repayment of other loans	(144,490)	-
Interest paid	(220)	(96)
<b>Net cash used in financing activities</b>	<b>245,232</b>	<b>(96)</b>
<b>Net increase in cash and cash equivalents</b>	<b>46,785</b>	<b>25,771</b>
Cash and cash equivalents at beginning of year	98,950	73,179
<b>Cash and cash equivalents at the end of year</b>	<b>145,735</b>	<b>98,950</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	145,735	98,950
	<b>145,735</b>	<b>98,950</b>

## Notes to the financial statements

For the year ended 31 August 2016

### 1. General information

The company is a private company limited by shares, and is registered in England and Wales. Its registered office is 125 Old Broad Street, London, EC2N 1AR.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 21.

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 (see note 3).

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.

#### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

## Notes to the financial statements

For the year ended 31 August 2016

### 2. Accounting policies (continued)

#### 2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

#### 2.6 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

#### 2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## Notes to the financial statements

For the year ended 31 August 2016

### 2. Accounting policies (continued)

#### 2.8 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is GBP.

##### 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

#### 2.9 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

#### 2.10 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The only judgement applied by management throughout the financial statements is that of depreciation.

### 4. Turnover

All turnover arose within the United Kingdom.

### 5. Operating loss

The operating loss is stated after charging:

	2016	(Unaudited) 2015
	£	£
Depreciation of tangible fixed assets	567	-
Exchange differences	(3,970)	-
Other operating lease rentals	12,850	340
	<u>12,850</u>	<u>340</u>

During the year, no director received any emoluments (2015 - £NIL).

## Notes to the financial statements

For the year ended 31 August 2016

### 6. Auditor's remuneration

	2016 £	(Unaudited) 2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	6,000	-
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Audit-related assurance services	500	-
Taxation compliance services	1,667	-
All other services	2,000	-
	<u>6,000</u>	<u>-</u>

### 7. Employees

Staff costs were as follows:

	2016 £	(Unaudited) 2015 £
Wages and salaries	61,167	42,667
Social security costs	4,490	862
	<u>65,657</u>	<u>43,529</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Admin	4	4
	<u>4</u>	<u>4</u>

### 8. Interest payable and similar charges

	2016 £	(Unaudited) 2015 £
Bank interest payable	220	96
	<u>220</u>	<u>96</u>



## Notes to the financial statements

For the year ended 31 August 2016

### 9. Tangible fixed assets

	Office equipment £
<b>Cost or valuation</b>	
Additions	1,700
At 31 August 2016	1,700
<b>Depreciation</b>	
Charge for year	567
At 31 August 2016	567
<b>Net book value</b>	
At 31 August 2016	1,133
At 31 August 2015 (Unaudited)	-

### 10. Debtors

	2016 £	(Unaudited) 2015 £
Other debtors	1,032,836	14,071
Prepayments and accrued income	10,710	-
	<b>1,043,546</b>	<b>14,071</b>

### 11. Cash and cash equivalents

	2016 £	(Unaudited) 2015 £
Cash at bank and in hand	145,735	98,950
	<b>145,735</b>	<b>98,950</b>

## Notes to the financial statements

For the year ended 31 August 2016

### 12. Creditors: Amounts falling due within one year

	2016 £	(Unaudited) 2015 £
Trade creditors	7,427	6,041
Taxation and social security	5,449	13,174
Other creditors	987,046	105,027
Accruals and deferred income	11,351	8,533
	<u>1,011,273</u>	<u>132,775</u>

### 13. Financial instruments

	2016 £	(Unaudited) 2015 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	145,735	98,950
Financial assets that are debt instruments measured at amortised cost	1,033,052	14,071
	<u>1,178,787</u>	<u>113,021</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(1,006,360)	(160,897)
	<u>(1,006,360)</u>	<u>(160,897)</u>

Financial assets measured at fair value through profit or loss comprise cash held at bank.

Financial assets measured at amortised cost comprise other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and intercompany loans.

## Notes to the financial statements

For the year ended 31 August 2016

### 14. Share capital

	2016 £	(Unaudited) 2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
399,942 (2015 - 10,000) Ordinary shares of £1 each	<u>399,942</u>	<u>10,000</u>

During the year, the company issued 389,942 ordinary shares at par.

### 15. Reserves

#### Share Premium

Includes any amounts received for share capital that exceeds its nominal value.

#### Profit and loss account

Includes all current and prior period retained profits and losses.

### 16. Contingent liabilities

There were no contingent liabilities at 31 August 2016 or at 31 August 2015.

### 17. Capital commitments

The company had no capital commitments 31 August 2016 or at 31 August 2015.

### 18. Commitments under operating leases

At 31 August 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	(Unaudited) 2015 £
Not later than 1 year	<u>39,375</u>	<u>32,400</u>
	<u>39,375</u>	<u>32,400</u>

### 19. Related party transactions

The Directors' current account includes a loan due to C Chao of £534 (Unaudited 2015: £534) and a loan to B Ling of £763 (Unaudited 2015: £763).

During the year, the company received funds from GMI Limited, a company under common control, which the company then passed on to their clearing brokers. During the year, GMI Limited transferred £985,749 (2015 - £nil) to the company. At the year end, £985,749 (Unaudited 2015 - £nil) was owed to GMI Limited by the company.

Also during the year, GMI Limited transferred £536 (Unaudited 2015: £nil) to the company by way of a loan. At the year end, £536 (Unaudited 2015 - £nil) was owed to GMI Limited by the company.

**Notes to the financial statements**

For the year ended 31 August 2016

**20. Controlling party**

The company was under the control of the directors throughout the current year. C Chao is the ultimate controlling party as at the balance sheet date.

**21. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.