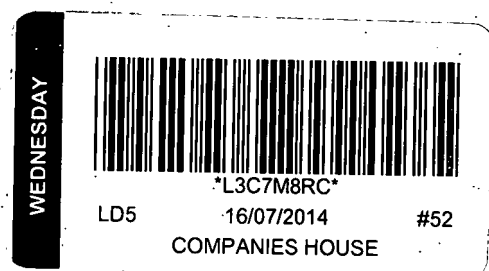


Registered number  
8457573

ICE Benchmark Administration Limited

Report and Financial Statements

31 December 2013



**ICE Benchmark Administration Limited**  
**Report and financial statements**  
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## **ICE Benchmark Administration Limited**

**Registered number:**

**8457573**

### **Directors' Report**

The directors present their directors' report, strategic report and audited financial statements for ICE Benchmark Administration Limited ('the Company') for the period ended 31 December 2013.

#### **Directors**

The directors of the Company who served during the period, and up to the date of the financial statements, were as follows:

Finbarr Patrick Hutcheson (appointed 22 March 2013)

André-François Hélier Villeneuve (appointed 1 February 2014)

Joanna Ruth Perkins (appointed 1 February 2014)

Michel Prada (appointed 1 July 2014)

#### **Change of name**

On 13 November, 2013 the Company changed its name from NYSE Euronext Rate Administration Limited to ICE Benchmark Administration Limited.

#### **Statement of Directors' responsibilities**

The directors are responsible for preparing the directors' report, strategic report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

**ICE Benchmark Administration Limited**

**Registered number:**

**8457573**

**Directors' Report**

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

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

**Auditors**

The auditor in office will be deemed to have been re-appointed pursuant to section 487(2) of the Companies Act 2006 unless the members or directors resolve otherwise.

This report was approved by the board on 3 July 2014.



P. Davis  
Secretary

## **ICE Benchmark Administration Limited**

**Registered number:**

**8457573**

### **Strategic Report**

The directors present their strategic report for the period ended 31 December 2013.

#### **Principal activities and review of the business**

The Company was incorporated and established on 22 March 2013 following an announcement by the Hogg Tendering Advisory Committee, an independent committee set up by the UK government, to select the new administrator for the London Interbank Offered Rate (LIBOR). The Company was recommended as the new administrator in July 2013 and the transfer from the existing operator, BBA LIBOR Ltd, to the Company was completed on 1 February 2014, following authorisation by the Financial Conduct Authority ('FCA').

The ultimate parent and controlling entity is Intercontinental Exchange, Inc., ('ICE'), a corporation registered in Delaware, United States.

#### **Principal risks and uncertainties**

1. The Company is subject to a number of risks. The Company's revenues depend heavily on administration of the LIBOR contract. Should the Company fail to adequately administer the benchmark there is a risk that the existing mandate to operate LIBOR will become untenable and opportunities to operate other benchmarks will be restricted.
2. The Company's compliance and risk methods might not be effective and may result in outcomes that could adversely affect reputation, financial condition and operating results.
3. The industry in which the Company operates is highly competitive and the Company expects the competition to intensify in the future, so new products and opportunities must be successfully identified.
4. The Company's systems and third party service providers may be vulnerable to security risks, hacking and cyber-attacks, especially in the light of the Company's role in the global financial market place, which could result in wrongful use of information, or which could make the participants reluctant to use the Company's products.
5. The Company faces the risk of changes to the regulatory environment in which it operates, which may result in reduced revenues or higher costs.

#### **Results and dividends**

The loss on ordinary activities for the period after taxation of \$2,012,000 has been transferred to reserves. The Company has net assets of \$11,488,000. Set-up costs were incurred throughout 2013 and no revenues were earned until February 2014. The directors envisage that the business will start to generate income and become profitable in the future.

No dividend was declared by the directors in the period.

**ICE Benchmark Administration Limited**

**Registered number:**

**8457573**

**Strategic Report**

**Future developments**

On 30 April 2014 the Company was appointed as the new administrator of ISDAFIX, the leading global benchmark for interest rate swaps. As the administrator for ISDAFIX, the Company will transition the calculation methodology for ISDAFIX from a polled submission model, where contributing banks submit price estimates, to a methodology based on tradable quotes posted on regulated trading venues. This move is made possible by the introduction of electronic markets for interest rate swaps and is designed to align the ISDAFIX benchmark with principles published last year by the International Organization of Securities Commissions (IOSCO) for financial benchmarks, which were subsequently endorsed by the G20 and by the Financial Stability Board. The Company expects to transition ISDAFIX benchmark currencies by the end of 2014.

**Going concern**

Going concern is assessed as part of the wider ICE UK group's business activities. 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.

This report was approved by the board on 3 July 2014.



P. Davis  
Secretary

**ICE Benchmark Administration Limited**  
**Independent auditors' report**  
**to the members of ICE Benchmark Administration Limited**

We have audited the financial statements of ICE Benchmark Administration Limited for the period from 22 March 2013 to 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, set out 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 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 Report and Financial Statements 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 the 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 2013 and of its loss for the period from 22 March 2013 to 31 December 2013;
- 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 matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and Strategic 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.

*Ernst & Young LLP*

Neville Gray (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditors  
London

Date: *7 July 2014*

**ICE Benchmark Administration Limited**  
**Profit and Loss Account**  
**for the period from 22 March 2013 to 31 December 2013**

	Notes	2013 \$'000
Administrative expenses		(2,012)
<b>Operating loss</b>		<u>(2,012)</u>
<b>Loss on ordinary activities before taxation</b>	2	<u>(2,012)</u>
Tax on loss on ordinary activities	5	-
<b>Loss for the period</b>		<u>(2,012)</u>

**Continuing operations**

The results in the above period are derived from continuing operations.

**Statement of total recognised gains and losses**

The Company has no recognised gains or losses other than the loss for the above period.

The accompanying notes form an integral part of these financial statements.



**ICE Benchmark Administration Limited**  
**Balance Sheet**  
**as at 31 December 2013**

	Notes	2013 \$'000	2013 \$'000
<b>Fixed assets</b>			
Intangible assets	6		2,126
Tangible assets	7		500
			<u>2,626</u>
<b>Current assets</b>			
Debtors due within one year	8	411	
Cash at bank and in hand	9	12,017	
		<u>12,428</u>	
<b>Creditors: amounts falling due within one year</b>			
Creditors and other payables	10	(3,566)	
<b>Net current assets</b>			8,862
<b>Net assets</b>			<u>11,488</u>
<b>Capital and reserves</b>			
Called up share capital	11		13,500
Profit and loss account	12		(2,012)
<b>Shareholders' funds</b>	13		<u>11,488</u>

Finbarr Patrick Hutcheson  
 Director  
 Approved by the board on 3 July 2014



The accompanying notes form an integral part of these financial statements.

**ICE Benchmark Administration Limited**  
**Notes to the Financial Statements**  
**for the period from 22 March 2013 to 31 December 2013**

**1 Accounting policies**

***Basis of preparation***

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and the Companies Act 2006.

The Company's functional and reporting currency is United States Dollars (USD). The USD:GBP year end exchange rate was 1.6567. The USD:GBP average exchange rate for the period was 1.58.

***Cash flow statement***

The Company is exempt under Financial Reporting Standard 1 from preparing a cash flow statement as it is a wholly-owned subsidiary of ICE. The consolidated cash flow statement, which includes the Company, can be found in the publicly available group financial statements of ICE.

***Consolidation***

In accordance with the Companies Act 2006 Section 401, the Company is exempt from the obligation to prepare and deliver group financial statements as the Company's results are included in the group financial statements of the ultimate parent company, ICE, a corporation registered in Delaware, United States.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate applying at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange applying at the balance sheet date. All differences are taken to the profit and loss account. Non-monetary assets are translated at historical rates.

***Taxation***

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the date will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

***Intangible fixed assets***

Intangible fixed assets are measured at cost on initial recognition. Following initial recognition, intangible fixed assets are carried at cost less accumulated amortisation and impairment, if any. The useful lives of intangible fixed assets are assessed to be either finite or indefinite. The useful economic lives of intangible fixed assets are reviewed at the end of each reporting period and revised if necessary.

**ICE Benchmark Administration Limited**  
**Notes to the Financial Statements**  
**for the period from 22 March 2013 to 31 December 2013**

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation and impairment, if any. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

IT equipment	3 years
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***Impairment review***

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Cash at bank and in hand***

Cash at bank and in hand includes short term deposits that are immediately available.

**2 Loss on ordinary activities before taxation**

**2013**  
**\$'000**

This is stated after (crediting)/charging:

Auditors' remuneration for audit services	17
Foreign exchange gains	(98)

17  
(98)

**3 Directors' remuneration**

The director who held office during the year was employed and remunerated as a director by one of the ICE group companies in respect of his services to the Group as a whole, and it is therefore considered that there is no appropriate basis on which he can apportion part of his remuneration for his services to the Company.

**4 Employee costs**

The Company had no employees during the year.

**ICE Benchmark Administration Limited**  
**Notes to the Financial Statements**  
**for the period from 22 March 2013 to 31 December 2013**

**5 Taxation**

**2013**  
**\$'000**

**Analysis of charge in period**

Tax on profit on ordinary activities

-

**Factors affecting current tax charge for the period**

The differences between the current tax assessed for the period and the standard rate of corporation tax are explained as follows:

**2013**  
**\$'000**

Loss on ordinary activities before tax

(2,012)

Standard rate of corporation tax in the UK

23.25%

**\$'000**

Loss on ordinary activities multiplied by the standard rate of corporation tax

(468)

Effects of:

Pre-trading expenses

468

Current tax charge for the period

-

The expenses incurred in the period and carried forward are deemed to be pre-trading expenses for tax purposes. These expenses will be available for offset against future taxable profits and potentially group relievable when the entity begins to trade. As a result, there has been no deferred tax recognised in respect of these expenses.

**Factors that may affect future tax charges**

The headline rate of UK corporation tax reduced from 24% to 23% on 1 April 2013, and following the enactment of Finance Act 2013 it will reduce further to 21% from 1 April 2014 and 20% from 1 April 2015.

**6 Intangible fixed assets**

**Pre contract completion costs**  
**\$'000**

**Cost**

Additions

2,126

At 31 December 2013

2,126

**Amortisation**

At 31 December 2013

-

**Net book value**

At 31 December 2013

2,126

The additions for the year relate to the pre contract-completion costs for the LIBOR administration contract, which have been recognised as an intangible fixed asset in accordance with UITF Abstract 34. The pre contract-completion costs recognised by the Company are amortised in equal annual instalments over the 7 year life of the LIBOR administration contract, commencing 1 February 2014.

**ICE Benchmark Administration Limited**  
**Notes to the Financial Statements**  
**for the period from 22 March 2013 to 31 December 2013**

**7 Tangible fixed assets**

	IT equipment \$'000
<b>Cost</b>	
Additions	500
At 31 December 2013	<u>500</u>
<b>Depreciation</b>	
At 31 December 2013	<u>-</u>
<b>Net book value</b>	
At 31 December 2013	<u>500</u>

Depreciation has not been charged as the assets were not in use during the period.

**8 Debtors**

	2013 \$'000
Other taxes and social security costs	<u>411</u>

**9 Cash at bank and in hand**

From 1 February 2014, the Company was required by the Financial Conduct Authority ("FCA") to restrict the use of the equivalent of six months of operating expenditure in cash or cash equivalents at all times. On 1 February 2014, following initial authorisation by the FCA, this amount was the equivalent of \$4,294,000.

The Company is also expected to hold an operational risk buffer equivalent to three months of operating expenditure in cash or cash equivalents. On 1 February 2014 this amounted to \$2,147,000.

**10 Creditors and other payables**

	2013 \$'000
Amounts due to group undertakings	1,350
Accruals and deferred income	<u>2,216</u>
	<u>3,566</u>

**ICE Benchmark Administration Limited**  
**Notes to the Financial Statements**  
**for the period from 22 March 2013 to 31 December 2013**

<b>11 Share capital</b>	<b>Nominal value</b>	<b>2013 &amp; 2013 Number</b>	<b>2013 \$'000</b>
Allotted, called up and fully paid:			
Ordinary shares	\$1 each	13,500,000	13,500
Ordinary shares	£1 each	1	-
			<u>13,500</u>
	<b>Nominal value</b>	<b>Number</b>	<b>Amount \$'000</b>
Shares issued during the period:			
Ordinary shares	\$1 each	13,500,000	13,500
Ordinary shares	£1 each	1	-
			<u>13,500</u>

During 2014, a further 2,200,000 ordinary shares of \$1 each were issued up to the date of the approval of the financial statements.

<b>12 Profit and loss account</b>	<b>2013 \$'000</b>
At 22 March 2013	-
Loss for the financial period	<u>(2,012)</u>
At 31 December	<u>(2,012)</u>

<b>13 Reconciliation of shareholders' funds</b>	<b>2013 \$'000</b>
Additional share capital issued	13,500
Loss for the financial period	<u>(2,012)</u>
At 31 December	<u>11,488</u>

**14 Related party transactions**

The Company has taken advantage of the exemption contained within Financial Reporting Standard 8, paragraph 3c, and has not disclosed transactions with group companies. There were no other related party transactions in the year.

**15 Ultimate holding company**

The Company is a wholly-owned subsidiary of NYSE Holdings UK Limited, whose ultimate parent company is Intercontinental Exchange, Inc., a corporation registered in Delaware, United States.

The Company's financial statements have been included in the group financial statements of the ultimate parent company, Intercontinental Exchange, Inc.

The group financial statements of Intercontinental Exchange, Inc., may be obtained from the website [www.theice.com](http://www.theice.com).