

BROKERTEC EUROPE LIMITED

Country-by-Country Reporting for 9 months to 31 December 2019

Company Number: 02645715

BrokerTec Europe Limited
Country-by-Country Reporting for 9 months to 31 December 2019.

The below table is disclosed in accordance with the Capital Requirements, Country-by-Country Reporting Regulations 2013 for the year ended 31 December 2019, which implemented Article 89 of the Capital Requirements Directive IV.

Audited

Entity name	Country	Nature of activities	Turnover	Profit / (loss) before tax	Tax paid / (received)	Subsidies received	Average FTE including temporary staff FTE's
			£'000	£'000	£'000	£'000	
BrokerTec Europe Limited	UK	Electronic inter-dealer broker	32,932	16,028	-	-	26
BrokerTec Europe Limited - Singapore (branch)	Singapore	Electronic inter-dealer broker	961	136	-	-	9
BrokerTec Europe Limited – Australia (branch)	Australia	Electronic inter-dealer broker	-	-	-	-	-
e-Mid Sim S.p.A. (subsidiary)	Italy	Electronic market for interbank deposits	1,572	(1,239)	-	-	10

Basis of preparation

This report is prepared in accordance with Financial Reporting Standard 101 (“FRS101”) on a consolidated basis for BrokerTec Europe Limited, its branches and its subsidiary, e-Mid S.p.A (the Group). In preparing this report on a consolidated basis, all transactions wholly between BrokerTec Europe Limited, its branches and e-Mid S.p.A have been eliminated upon consolidation.

Notes:

Country	In accordance with the guidance issued by HM Treasury we have considered the country of incorporation of legal entities and the jurisdiction of residence for branches.
Nature of activities	Activities are classified as Electronic inter-dealer broker and Electronic market for interbank deposits.
Turnover	Turnover comprises commission and brokerage income derived from fixed income securities broking and electronic broking and is recognised on a settlement-date basis, and it comprises commission and brokerage income derived from electronic market for interbank deposits.
Profit / (loss) before tax	This is Operating profit before tax.
Tax paid / (received)	BrokerTec Europe Limited and BrokerTec Europe Limited - Singapore branch are parties to the NEX group payment method and, as a result of claiming tax losses from other group parties in the year, relieved their tax liability so no tax payments were required to the UK tax authorities. e-MID SIM S.p.A. is not part of the NEX group payment method and no tax was paid in the current year.
Public Subsidies received	The Group received no public subsidies in the year.
Average FTE including temporary staff FTE's	Calculated as the monthly average number of persons employed by the Group during the year.



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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF BROKERTEC EUROPE LIMITED

Opinion

We have audited the country-by-country schedule and notes to the schedule (together 'the Schedule') of BrokerTec Europe Limited and its subsidiary (the 'Group') for the period from 1 April to 31 December 2019. In our opinion the accompanying country-by-country information, labelled as audited in the Schedule, of the Group as at 31 December 2019 is prepared, in all material respects, in accordance with the requirements of The Capital Requirements (Country-by-Country Reporting) Regulations 2013 ('the Regulations').

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedule* section of our report below. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Schedule in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to the Basis of preparation Section to the Schedule, which describes the basis of accounting. The Schedule is prepared to assist the Group in meeting the requirements of the Regulations. As a result, the Schedule may not be suitable for another purpose. This report is made solely to the Group's directors, as a body, in accordance with our engagement letter dated 30 March 2020. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's directors as a body, for our audit work, for this report, or for the opinions we have formed. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the Schedule in accordance with the Regulations, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the Schedule, and for such internal control as management determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

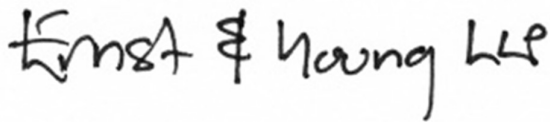
In preparing the Schedule, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Schedule.

A further description of our responsibilities for the audit of the Schedule is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Ernst & Young LLP
London, UK
18 December 2020