

ICE Data Services Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2019

ICE Data Services Limited

Contents

	Page
Strategic Report	1 - 6
Directors' Report	7 - 8
Independent Auditor's Report	9 - 11
Statement of Comprehensive Income	12
Balance Sheet	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 - 28

ICE Data Services Limited

Strategic Report For the Year Ended 31 December 2019

Introduction

The directors present their Strategic Report for ICE Data Services Limited ('the Company') for the year ended 31 December 2019.

Principal activities and review of the business

The Company is a wholly-owned subsidiary of ICE Futures Holdings Ltd. The ultimate parent company and controlling entity is Intercontinental Exchange, Inc. ('ICE'), a corporation registered in Delaware, United States. Related companies in these financial statements refer to members of the ICE Group of companies ('the Group').

The Company provides market data and connectivity solutions to help support global markets in activities such as trading, investing, risk management and other activities within those markets. The Company is also a holding company within the Group.

Principal risks and uncertainties

Risk is an inherent part of the Company's business activity and is managed within the context of the ICE UK Group's business activities by ICE Futures Europe. ICE Futures Europe provides services to the ICE UK Group to monitor and manage various types of risks, including market and liquidity risk, through defined policies, procedures and control mechanisms.

Credit risk is the risk that customers will fail to honour their agreed obligations and will fail to perform under their contractual commitments in relation to services provided by the Company. Credit risk is managed by credit dispensing policies and timely chasing of outstanding debt. Credit exposures from related accounts are aggregated and monitored on a consolidated basis.

Brexit

In March 2017, the U.K. officially triggered Article 50 of the Treaty of Rome and, in doing so, notified its intention of leaving the EU in line with the outcome of the U.K.'s June 2016 "Brexit" referendum. The triggering of Article 50 began the process of withdrawal from the EU. In November 2018, the U.K. and the other 27 countries of the EU, agreed upon the terms of a withdrawal agreement that set out the terms of the U.K.'s withdrawal from the EU and includes a transition period until 31 December 2020. During the transition period, the U.K. agreed to apply EU law. Following the U.K. General Election held on 12 December 2019 which returned a Conservative majority government, the European Union (Withdrawal Agreement) Bill was passed by both Houses of Parliament, receiving Royal Assent on 23 January 2020. Prime Minister Boris Johnson signed the Withdrawal Agreement on the following day, completing the U.K.'s ratification process. This was followed by ratification by the European Parliament and the European Council on 29 January and 30 January 2020 respectively.

The U.K. left the EU at 11.00 pm GMT on 31 January 2020 on the basis of the Withdrawal Agreement and the associated Political Declaration.

The Political Declaration sets out a framework for agreeing the future relationship between the U.K. and the EU and covers areas including economic partnership (e.g. trade in goods, services and investment, and fishing opportunities), security partnership (e.g. law enforcement and judicial cooperation, security and defence), institutional and other arrangements (e.g. governance arrangements and dispute settlement) and the forward process (e.g. ground rules for the negotiation process). The Political Declaration also explains that the U.K. and the EU will seek to conclude equivalence assessments of each other's financial services frameworks by the end of June 2020. It goes on to state that the parties intend to reach agreement on the future relationship by the end of 2020.

ICE Data Services Limited

Strategic Report (continued) For the Year Ended 31 December 2019

Brexit (continued)

However, the future relationship between the U.K. and the EU remains uncertain, as the U.K. and the EU work through the transition period that provides time to negotiate the details of the future relationship. Although the Withdrawal Agreement includes a provision for extension for a further two year period, the transition period is currently expected to end on 31 December 2020. If no agreement is reached then the U.K. will leave the EU with no agreements in place beyond any temporary arrangements that have or may be put in place by the EU or individual EU Member States and the U.K. as part of no-deal contingency efforts and those conferred by mutual membership of the World Trade Organization. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications the U.K. leaving the EU with no agreements in place would have and how such a withdrawal would affect the Company or its subsidiaries.

Coronavirus (Covid-19)

After the balance sheet reporting date of 31 December 2019, on 11 March 2020, Coronavirus ('Covid-19') was recognised as a pandemic by the World Health Organization ('WHO'). The ICE Group has a Pandemic Plan and its Pandemic Steering Committee ('PSC') meets regularly to assess new information relating to Covid-19. The PSC leads the ICE Group in determining the response level, recommending strategy and disseminating information to staff. The full extent of the pandemic is as of yet unknown and there is uncertainty over what the impact on the Company will be. However, to date, the ICE Group's extensive business continuity plans that have been developed and tested for crises such as Covid-19 are operating as planned and have ensured operations, including those of the Company, continue to function effectively. ICE Group employees who perform work related to the Company continue to utilise a remote work framework when required, complying as necessary with local government mandates and social distancing directives as appropriate. It is considered that these arrangements will continue for as long as is required with no detrimental impact to the operations of the Company. The Company has not experienced any detrimental impact on cash flows, liquidity, performance or revenue collections to date.

Stakeholder engagement

The following disclosures describe how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of The Companies Act 2006.

The directors, acting as the board of directors of the Company (the 'Board'), oversee, counsel and direct management in the long-term interests of the Company, its customers, shareholders and other stakeholders. It is the duty of the Board to serve as a prudent fiduciary for shareholders and to oversee the management of the Company. Board decisions are undertaken with regard to the success and long-term stability of the Company for the benefits of its stakeholders and the Board is regularly engaged in business strategy, risk oversight, financial reporting and corporate responsibility.

The tables that follow on pages 3 to 6, describe how the directors have performed their duty to promote the success of the Company as required by 172(1)(a) to (f) of the Companies Act 2006.

**Strategic Report (continued)
For the Year Ended 31 December 2019**

Stakeholder engagement (continued)

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>Shareholder</p> <p>Intercontinental Exchange, Inc., as ultimate shareholder, and its affiliates (“ICE Group” or “ICE”). ICE serves customers by operating the exchanges, clearing houses and information services they rely upon to invest, trade and manage risk across global financial and commodity markets.</p> <p>The Company is an integral part of this service providing market data and connectivity solutions to help support global markets in activities such as trading, investing, risk management and other activities within those markets.</p> <p>In addition it provides data from ICE Exchanges to market participants to support their activities across trading, investment, risk management and other functions.</p>	<p>The Company’s and ICE’s directors and employees collaborate frequently on projects and expertise is shared in both directions in various ways including through directorships of affiliated companies and cross functional management meetings.</p> <p>Director; Mr. Williams is the President of ICE Futures Europe and is a member of the ICE Executive Management Team, the ICE Operational Oversight Committee OOC and the ICE Exchange Executive Committee.</p> <p>Director; Messrs. Surdykowski and Hill have executive responsibilities elsewhere at ICE. Mr. Surdykowski and Mr. Hill are the General Counsel and CFO of ICE, respectively. They are both also members of the ICE Executive Management Team and the ICE OOC.</p>	<p>Key topics of engagement included; strategic planning in respect of the UK’s withdrawal from the EU, cybersecurity and other regulatory matters.</p> <p>The Company also engages with ICE on global best practices for enterprise risk management, operations, business continuity and disaster recovery, product development, sales and marketing and other key functions.</p> <p>Outcomes of engagement included; strategic alignment on preparations for the UK’s withdrawal from the EU and engagement with the exchange industry on data provision.</p>
<p>Customers</p> <p>The Company’s customers are wide-ranging. Access to accurate, reliable information is essential to the integrity and everyday functioning of global markets and the economies which they support. The provision of information and the services that the Company provides forms a vital part of this ecosystem, helping customers to assess the value of assets and make informed business decisions with confidence.</p>	<p>The Company regularly liaises with customers through its licensing and operational teams and the Company’s management team regularly conducts outreach with customers to understand their ongoing requirements.</p> <p>Regular meetings at senior management and operational levels such as a monthly Technology and Operations Group call and bilateral customer meetings.</p>	<p>Through its engagement, the Company has sought to support and contribute towards the integrity and continued proper functioning of global markets and the economies which they support.</p> <p>Continuous dialogue with customers on enhancing access to global markets through development of new services In addition to support clients through the migration of trading from exchanges acquired by Euronext, now supported in the ICE data centre.</p>

**Strategic Report (continued)
For the Year Ended 31 December 2019**

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>Customers (continued)</p> <p>The Company facilitates the trading, investments, risk management and other related activities of financial instrument management for the financial trading community and its customers include financial institutions, asset managers, pension funds, commodity producers and refiners, utilities and governments, as well as industrial and manufacturing businesses that are increasingly engaging in hedging, trading and risk management strategies.</p>	<p>Collaboration by senior management and certain directors with, and membership of, various industry organisations to help further engage with and understand multiple perspectives from a variety of customers and industry participants.</p>	<p>Outcomes of engagement included; the launch of new products related to the access of global markets (in addition to ICE markets) as well as providing continued access to trading of exchanges acquired by Euronext.</p>
<p>Suppliers</p> <p>To support operations, ICE provides various services to the Company. The Company uses technology owned and developed by ICE, and related resources, to provide its services.</p> <p>The Company licenses and sources data from various providers for the purposes of distribution and to enable it to provide other information services.</p> <p>The Company also has other suppliers and service providers which provide the Company with the goods and services relied upon for operations, ranging from large multinational companies to smaller-scale local service providers. Some of these services are provided by the Group (see first stakeholder).</p>	<p>Management and the Board utilise the mechanisms discussed in the Shareholder section, on page 3, to engage effectively with suppliers of services from the ICE Group.</p> <p>The Company performs thorough due diligence on its external suppliers both during on-boarding and on a recurring basis.</p> <p>We expect all our suppliers to be compliant with the Modern Slavery Act and we work closely with our suppliers to build on our knowledge and promote best practice.</p>	<p>Key topics of engagement in relation to the ICE Group suppliers centred on technology development, operational resilience, cybersecurity and business continuity arrangements. See the Shareholder section on page 3 for more detail.</p> <p>In general, any changes to services or goods supplied and developing needs are worked on concurrently between the Company and its suppliers.</p> <p>The Board receives updates on the duty to report on prompt payment, practices and performance. The most recent published payment practices report showed the average time to pay an invoice was 26 days. The Company continues to engage with suppliers to improve workflow and refine payment practices.</p> <p>The Board approves the Company's Modern Slavery statement on an annual basis.</p>

**Strategic Report (continued)
For the Year Ended 31 December 2019**

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>People</p> <p>Our people include colleagues directly employed by the Company, consultants and others who work throughout the Group.</p> <p>The Company's long-term success is predicated on the skills, commitment, engagement and success of our people.</p>	<p>Engagement includes interactive town halls, 'lunch & learn' and quarterly staff update meetings, delivered by ICE Group and Company senior managers.</p> <p>Feedback is gathered across a mix of "always on feedback", employee surveys and individual employee-focused assessments. This allows actionable feedback to be gathered across a variety of populations, and circumstances, throughout the year. There is also an established whistleblowing policy.</p>	<p>A global employee survey focused on culture was completed recently by the Group and the results were reviewed by members of the Board.</p> <p>Feedback from the survey has resulted in enhanced internal communications, more employee development opportunities and a remote working policy.</p>
<p>Community and society</p> <p>The global financial market community and wider society including the environment are stakeholders impacted by the actions and continued success of the Company.</p>	<p>Board members and certain members of senior management of the Company and the Group engage in consultation and advisory activities with governments and policy makers on matters concerning key industry developments and initiatives.</p> <p>The global markets supported by the services of the Company provide transparent, market-based pricing to help companies make better decisions when allocating resources and investing in more sustainable technologies and innovative solutions.</p> <p>We believe that it is important to create opportunities for ICE and its people to make a difference by helping others in our communities.</p> <p>We pursue that goal through financial support and volunteering both time and talents using several channels, including: charitable donations and an employee matching program.</p>	<p>Our customers can access a broad portfolio of derivative pricing and data - covering emissions, carbon offsets, renewable energy and renewable fuels. The Company supports market-based solutions to climate change through the data services it provides.</p> <p>The Company operates a certified environmental management system to ensure that we meet and, wherever possible, exceed compliance obligations such as legal and regulatory requirements, industry standards and other voluntary commitments related to our environmental aspects.</p> <p>The Group's energy management program is focused on its data centres. The Group's U.K. data centre electricity supply is 100% from renewable energy sources.</p> <p>The Group's Modern Slavery Statement and GDPR Statements are available on the ICE website and these statements apply to the Company.</p>

Strategic Report (continued)
For the Year Ended 31 December 2019

Principal decisions

The Company defines principal decisions as those made during the year that are material and significant to any key stakeholder groups as defined in the Stakeholder engagement section of the Strategic Report. In making the following principal decisions the Board considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct.

Decision	Impact	Stakeholder considerations
Dividends The Board reviewed and approved a total of £55.3 million in dividend distributions which were paid during the year, see note 9.	During determination of the dividend distributions the Board duly considered the Company's ongoing capital requirements and other relevant factors based on the information provided by senior management at the time of each dividend.	The Board considered the dividends to be in the best interests of the Company.

This report was approved by the board on 22 September 2020 and signed on its behalf.



S. Williams
Director

ICE Data Services Limited

Directors' Report For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and 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 to 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 profit for the year, after taxation, amounted to £58,925,000 (2018: £3,543,000).

Dividends of £55,306,000 were declared by the directors in the year (2018: £18,150,000).

Directors

The directors who served during the year were:

S. Hill
S. Williams
A. Surdykowski

Future developments

The directors do not foresee any change in the Company's principal activities.

Qualifying third party indemnity provisions

The Company has granted an indemnity to directors against liabilities in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provisions were in place during the relevant financial year and remain in force as at the date of approving the Directors' Report.

ICE Data Services Limited

Directors' Report (continued) For the Year Ended 31 December 2019

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 September 2020 and signed on its behalf.



S. Williams
Director

ICE Data Services Limited

Independent Auditor's Report to the Shareholders of ICE Data Services Limited

Opinion

We have audited the financial statements of ICE Data Services Limited for the year ended 31 December 2019 which comprises the Statement of Comprehensive Statement, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 – Effects of COVID-19

We draw attention to Notes 1.3 and 21 of the financial statements, which describe the economic and social disruption the Company is facing as a result of COVID-19 which is impacting the financial markets and personnel available for work and/or being able to access offices. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ICE Data Services Limited

Independent Auditor's Report to the Shareholders of ICE Data Services Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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 the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report to the Shareholders of ICE Data Services Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements 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.

Use of our report

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

Ernst & Young LLP

Andrew Bates (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
25 September 2020

ICE Data Services Limited

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £000	2018 £000
Turnover	2	48,069	49,584
Gross profit		48,069	49,584
Administrative expenses		(33,917)	(45,762)
Operating profit	3	14,152	3,822
Dividend income		45,506	-
Interest receivable	6	24	20
Interest payable	7	-	(2)
Profit before tax		59,682	3,840
Tax on profit	8	(757)	(297)
Profit for the financial year		58,925	3,543
Other comprehensive income for the year		-	-
Total comprehensive income for the year		58,925	3,543

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

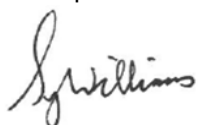
The notes on pages 15 to 28 form part of these financial statements.

ICE Data Services Limited
Registered number: 5300420

Balance Sheet
As at 31 December 2019

	Note	2019 £000	2019 £000	As restated 2018 £000	As restated 2018 £000
Fixed assets					
Intangible assets	10		-		2,110
Tangible assets	11		10,008		7,407
Investments	12		547		547
			<u>10,555</u>		<u>10,064</u>
Current assets					
Debtors: amounts falling due within one year	13	13,086		15,753	
Cash at bank and in hand	14	3,557		2,048	
		<u>16,643</u>		<u>17,801</u>	
Creditors: amounts falling due within one year	15	(6,927)		(11,075)	
Net current assets			<u>9,716</u>		<u>6,726</u>
Total assets less current liabilities			<u>20,271</u>		<u>16,790</u>
Creditors: amounts falling due after more than one year	16		(312)		(333)
Net assets			<u>19,959</u>		<u>16,457</u>
Capital and reserves					
Profit and loss account			<u>19,959</u>		<u>16,457</u>
			<u>19,959</u>		<u>16,457</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 September 2020.



S. Williams
 Director

The notes on pages 15 to 28 form part of these financial statements.

ICE Data Services Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2019**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2019	-	16,457	16,457
Comprehensive income for the year			
Profit for the year	-	58,925	58,925
Dividends: Equity capital	-	(55,306)	(55,306)
Payments under share-based payments agreements	-	(380)	(380)
Effect of capital contributions relating to share-based payments	-	224	224
Decrease in amounts due under share-based payments recharge agreements	-	39	39
At 31 December 2019	-	19,959	19,959

**Statement of Changes in Equity
For the Year Ended 31 December 2018**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2018	-	31,156	31,156
Comprehensive income for the year			
Profit for the year	-	3,543	3,543
Dividends: Equity capital	-	(18,150)	(18,150)
Payments under share-based payments agreements	-	(436)	(436)
Effect of capital contributions relating to share-based payments	-	254	254
Decrease in amounts due under share-based payments recharge agreements	-	90	90
At 31 December 2018	-	16,457	16,457

The notes on pages 15 to 28 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

1. Accounting policies

1.1 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 United Kingdom and the Republic of Ireland' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Intercontinental Exchange, Inc., as at 31 December 2019 and these financial statements may be obtained from www.theice.com.

1.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In reaching this determination they have considered the cash flows and capital resources of the Company and the non-adjusting post balance sheet event discussed in note 21. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of value added tax and trade discounts.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

1. Accounting policies (continued)

1.5 Intangible fixed assets and amortisation

Contractual customer relationships acquired separately are initially recognised at cost at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the assets. The estimated lives are as follows:

Contractual customer relationships	-	5 years
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The useful economic lives are reviewed at the end of each reporting period and revised if necessary.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements and office equipment	-	5-15 years
IT and network equipment	-	3 - 4 years

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.

1.7 Investments

Fixed asset investments are shown at cost, less provision when it is considered that an impairment in value has occurred.

1.8 Impairment review

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

1.9 Cash at bank and in hand

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of approximately three months or less from the date of acquisition.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

1. Accounting policies (continued)

1.10 Interest receivable

Interest receivable is recognised as earned.

1.11 Interest payable

Interest payable is recognised when due.

1.12 Foreign currencies

The Company's functional and presentational currency is British Pounds ("GBP" or "£"). Monetary assets and liabilities denominated in foreign currencies are translated into GBP at rates of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are translated into GBP at the rate ruling on the date of the transaction. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

1.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Income, which represents dividends receivable is recognised as earned.

1.14 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

1. Accounting policies (continued)

1.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

1.16 Share-based transactions

The cost of employees' services received in exchange for the grant of rights under equity-based employee compensation schemes is measured at the fair value of the equity instruments at the date of the grant and is expensed over the vesting period. This expense in the profit and loss account is offset by the recognition of a capital contribution in reserves. In the case of Employee Stock Purchase Plans ('ESPP'), fair value is measured using the Black-Scholes pricing model. Under ESPP, employees may purchase ICE shares at a price equal to 85% of the lesser of the fair market value of the shares on the first or the last trading day of each offering period. A share-based payment expense is recognised for the 15% discount given to participating employees.

The Company has entered into recharge agreements with ICE in respect of ICE Group incentive plans. Under the terms of the recharge agreements, the Company may be charged for the benefit of share-based compensation at the date of vesting, pro-rated over the period that the employees were in the service of the Company. Any amounts paid under these agreements have been recorded as a distribution of reserves.

Any liability under the recharge agreements with respect to outstanding share-based compensation, calculated at the share price at the balance sheet date and pro-rated over the life of the equity instrument, is also recorded as a distribution of reserves.

2. Turnover

The whole of the turnover is attributable to connectivity and colocation solutions. All turnover arose in the UK and Europe.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

3. Operating profit

The operating profit is stated after charging/(crediting):

	2019	2018
	£000	£000
Exchange differences	42	(156)
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	27	27
	<u> </u>	<u> </u>

There were no non-audit related fees payable to the Company's auditor during the year (2018: £nil).

4. Employees

Staff costs were as follows:

	2019	2018
	£000	£000
Wages and salaries	3,158	3,292
Social security costs	370	392
Cost of defined contribution scheme	190	178
	<u> </u>	<u> </u>
	<u>3,718</u>	<u>3,862</u>

Included in the wages and salaries costs disclosed above was a charge of £224,000 (2018: £254,000) in respect of share-based payment transactions.

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

	2019	2018
	No.	No.
Total	28	26
	<u> </u>	<u> </u>

5. Directors' remuneration

The directors who held office during the year were employed and remunerated as directors or executives of ICE and its consolidated subsidiaries in respect of their services to the Group as a whole, and it is therefore considered that there is no appropriate basis on which they can apportion part of their remuneration for their services to the Company.

6. Interest receivable

	2019	2018
	£000	£000
Bank interest receivable	24	20
	<u> </u>	<u> </u>
	<u>24</u>	<u>20</u>

ICE Data Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

7. Interest payable

	2019 £000	2018 £000
Other interest payable	-	2
	<u>-</u>	<u>2</u>
	<u>-</u>	<u>2</u>

8. Taxation

	2019 £000	2018 £000
Current tax on profits for the year	538	-
Adjustments in respect of previous periods	-	23
	<u>538</u>	<u>23</u>
	<u>538</u>	<u>23</u>
Total current tax	<u>538</u>	<u>23</u>
Deferred tax		
Origination and reversal of timing differences	245	302
Changes to tax rates	(26)	(32)
Adjustments in respect of previous periods	-	4
	<u>219</u>	<u>274</u>
	<u>219</u>	<u>274</u>
Taxation on profit on ordinary activities	<u>757</u>	<u>297</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019	2018
	£000	£000
Profit on ordinary activities before tax	59,683	3,840
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	11,340	730
Effects of:		
Non-taxable income	(8,646)	-
Statutory deduction on share schemes in excess of accounting charges	(12)	(40)
Change in rates	(26)	(32)
Group relief	(1,899)	(388)
Adjustments to tax charge in respect of prior periods	-	27
Total tax charge for the year	757	297

Notes to the Financial Statements
For the Year Ended 31 December 2019

8. Taxation (continued)

Factors that may affect future tax charges

The headline rate of UK corporation tax reduced from 20% to 19% on 1 April 2017 and, following the enactment of Finance Act 2016 on 15 September 2016 it was expected to reduce further to 17% from 1 April 2020. Given that this rate was enacted at the time of the balance sheet date, the closing deferred tax balances have been calculated with reference to this rate.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The deferred tax asset is estimated to decrease by £17,000 before 31 December 2020.

On 11 March 2020 it was announced (and enacted on 22 July 2020) that the UK corporation tax rate would remain at 19% and not reduce to 17% (the previously enacted rate) from 1 April 2020. Any deferred tax balances included within the accounts have been calculated with reference to the rate of 17%, as required under FRS 102. However, following the substantive enactment of the rate of 19%, it is anticipated that the reversal of any timing differences will occur at this rate and that the maximum impact on the quantum of the net deferred tax asset recognised will be £131,000.

9. Dividends

	2019 £000	2018 £000
Dividends paid on equity capital	55,306	18,150
	<u>55,306</u>	<u>18,150</u>

Notes to the Financial Statements
For the Year Ended 31 December 2019

10. Intangible assets

	Contractual customer relat'ships £000
Cost	
At 1 January 2019	43,225
At 31 December 2019	<u>43,225</u>
Amortisation	
At 1 January 2019	41,115
Charge for the year on owned assets	2,110
At 31 December 2019	<u>43,225</u>
Net book value	
At 31 December 2019	<u>-</u>
At 31 December 2018	<u>2,110</u>

The other intangible assets relate to customer contracts for the Secure Financial Transaction Infrastructure ('SFTI') and Colocation business assigned from NYSE Technologies SAS to the Company on 1 April 2014. The assets are fully amortised as at 31 December 2019.

Notes to the Financial Statements
For the Year Ended 31 December 2019

11. Tangible fixed assets

	Leasehold improv- ements and office equipment £000	IT and network equipment £000	Total £000
Cost			
At 1 January 2019	119	22,240	22,359
Additions	-	4,828	4,828
At 31 December 2019	<u>119</u>	<u>27,068</u>	<u>27,187</u>
Depreciation			
At 1 January 2019	63	14,889	14,952
Charge for the year on owned assets	3	2,224	2,227
At 31 December 2019	<u>66</u>	<u>17,113</u>	<u>17,179</u>
Net book value			
At 31 December 2019	<u><u>53</u></u>	<u><u>9,955</u></u>	<u><u>10,008</u></u>
At 31 December 2018	<u><u>56</u></u>	<u><u>7,351</u></u>	<u><u>7,407</u></u>

Notes to the Financial Statements
For the Year Ended 31 December 2019

12. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 January 2019	2,525
At 31 December 2019	<u>2,525</u>
Impairment	
At 1 January 2019	1,978
At 31 December 2019	<u>1,978</u>
Net book value	
At 31 December 2019	<u>547</u>
At 31 December 2018	<u>547</u>

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
ICE Data Holdings Limited	Milton Gate, 60 Chiswell Street, London, EC1Y 4SA	Holding company	Ordinary	80%
Finexeo UK Limited	Milton Gate, 60 Chiswell Street, London, EC1Y 4SA	Provider of network and infrastructure solutions	Ordinary	100%

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
ICE Data LLP	Milton Gate, 60 Chiswell Street, London, EC1Y 4SA	Provider of pricing data	Ordinary	79 %

Notes to the Financial Statements
For the Year Ended 31 December 2019

13. Debtors: Amounts falling due within one year

	2019 £000	As restated 2018 £000
Trade debtors	6,056	6,013
Amounts owed by group undertakings	256	3,626
Other debtors	10	41
Prepayments and accrued income	5,652	4,742
Deferred taxation	1,112	1,331
	<u>13,086</u>	<u>15,753</u>

During the year it was identified that a portion of commission fees payable had been incorrectly recognised net of receivables instead of as a gross payable. The impact as at 31 December 2018 is an increase in Trade debtors of £4,234,000 from £1,779,000 to £6,013,000, and in increase in Accruals of £4,234,000 from £2,947,000 to £7,181,000, see note 15. There was no impact on profit for the year ended 31 December 2018 or on net assets as at 31 December 2018.

14. Cash at bank and in hand

	2019 £000	2018 £000
Cash at bank and in hand	3,557	2,048
	<u>3,557</u>	<u>2,048</u>

15. Creditors: Amounts falling due within one year

	2019 £000	As restated 2018 £000
Trade creditors	125	1,729
Amounts owed to group undertakings	1,154	2,109
Corporation tax	535	-
Other creditors	152	56
Accruals	4,961	7,181
	<u>6,927</u>	<u>11,075</u>

Accruals and deferred income includes £196,000 (2018: £214,000) due under share-based payments recharge agreements.

All creditors are unsecured.

See note 13 for details of the restatement to prior period numbers.

Notes to the Financial Statements
For the Year Ended 31 December 2019

16. Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Accruals and deferred income	312	333
	<u>312</u>	<u>333</u>

Accruals represents £312,000 (2018: £333,000) due under share-based payments recharge agreements.

17. Deferred taxation

	2019 £000
At beginning of year	1,331
Charged to profit or loss	(219)
At end of year	<u><u>1,112</u></u>

The deferred tax asset is made up as follows:

	2019 £000	2018 £000
Accelerated capital allowances	1,037	1,260
Short term timing differences	75	71
	<u>1,112</u>	<u>1,331</u>

18. Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
6 (2018: 6) Ordinary shares of £1.00 each	-	-
	<u>-</u>	<u>-</u>

The Company is a private company limited by shares and incorporated under the laws of England and Wales.

19. Pension commitments

The Company operates money purchase pension schemes for eligible employees. The assets of the schemes are held separately from those of the Company in independently administered funds. There were no contributions outstanding at 31 December 2019 (2018: £nil).

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

20. Registered office

The registered office of the Company is:

Milton Gate
60 Chiswell Street
London
EC1Y 4SA
United Kingdom

21. Non-adjusting post balance sheet events

After the balance sheet reporting date of 31 December 2019, on 11 March 2020, Coronavirus ('Covid-19') was recognised as a pandemic by the World Health Organization ('WHO'). The ICE Group has a Pandemic Plan and its Pandemic Steering Committee ('PSC') meets regularly to assess new information relating to Covid-19. The PSC leads the ICE Group in determining the response level, recommending strategy and disseminating information to staff. The full extent of the pandemic is as of yet unknown and there is uncertainty over what the impact on the Company will be. However, to date, the ICE Group's extensive business continuity plans that have been developed and tested for crises such as Covid-19 are operating as planned and have ensured operations, including those of the Company, continue to function effectively. ICE Group employees who perform work related to the Company continue to utilise a remote work framework when required, complying as necessary with local government mandates and social distancing directives as appropriate. It is considered that these arrangements will continue for as long as is required with no detrimental impact to the operations of the Company. The Company has not experienced any detrimental impact on cash flows, liquidity, performance or revenue collections to date.

On 19 June 2020 the Company paid a dividend of £4,500,000.

22. Ultimate parent undertaking and controlling party

The Company is a wholly-owned subsidiary of ICE Futures Holdings Ltd, a company incorporated and registered in England and Wales. The ultimate parent company and controlling entity 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