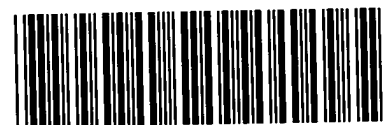

BARRATT COMMERCIAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

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COMPANIES HOUSE

BARRATT COMMERCIAL LIMITED

COMPANY INFORMATION

DIRECTORS

D F Thomas
M S Clare (resigned 31 July 2015)
D C Wilford (appointed 15 September 2014)

COMPANY SECRETARY

Barratt Corporate Secretarial Services Limited

REGISTERED NUMBER

00168039

REGISTERED OFFICE

Barratt House, Cartwright Way, Forest Business Park
Bardon Hill
Coalville
Leicestershire
LE67 1UF

INDEPENDENT AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
UK

BARRATT COMMERCIAL LIMITED

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BARRATT COMMERCIAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015

The Directors present their report and the audited financial statements for the year ended 30 June 2015.

The Directors' report has been prepared in accordance with the special provisions applicable to companies applying the small company exemption. The Company is exempt under s414B of the Companies Act 2006 from the requirement to produce a strategic report.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £864,000 (2014 - £3,057,000).

No dividends were paid or proposed during the year. In the prior year an interim dividend of 64 pence per share was paid, totalling £15,001,170.

REVIEW OF THE BUSINESS AND FUTURE OUTLOOK

The Company has continued to trade in the year and the Directors consider the state of affairs of the Company at the year end to be satisfactory. Turnover in the years ended 30 June 2015 and 30 June 2014 comprised rental income from Salvesen Tower in Aberdeen and from a property in Salford, and, in the current year only, the Company's share of the proceeds from the sale of property from the development at Matrix Park, Chorley.

Going forward, new investment opportunities are not currently being considered and there are no plots remaining at Matrix Park.

GOING CONCERN

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

At 30 June 2015 the Company had net assets of £9.8m with cash of £1.2m. The Company's assets principally comprise receivables from other Group companies (Barratt Developments PLC and its subsidiary undertakings, the 'Group'), and the financial position of the Company is therefore dependent upon the performance of the Group.

The financial performance of the Group is dependent upon the wider economic environment in which the Group operates. Factors that particularly affect the performance of the Group include changes in the macroeconomic environment including buyer confidence, availability of mortgage finance for the Group's customers and interest rates.

The Group has total committed bank facilities and private placement notes of £848.3m. The final maturity dates of these facilities range from August 2017 to July 2021, with £150.0m of the revolving credit facility maturing in December 2017 and £550.0m of the revolving credit facility maturing in December 2019. The committed facilities and private placement notes provide appropriate headroom above the Group's current forecast debt requirements.

In addition to these committed borrowing facilities the Group has £27.9m of financing from the Government's 'Get Britain Building' and 'Growing Places Fund' schemes. The outstanding funds are repayable between December 2015 and March 2018. Further committed loan facilities of £11.5m are available under agreements with local government which are due to be repaid between July 2015 and March 2020.

Accordingly, after making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is an expectation that the Group, and therefore the Company, has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

BARRATT COMMERCIAL LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

DIRECTORS

The Directors who served during the year were:

D F Thomas
M S Clare (resigned 31 July 2015)
D C Wilford (appointed 15 September 2014)

DIRECTORS INDEMNITIES

Following shareholder approval in January 2006, Barratt Developments PLC has provided an indemnity to the Directors and Company Secretary of all Group companies, including Barratt Commercial Limited, against all liability arising in respect of any act or omission in their duties. This is a qualifying indemnity provision for the purposes of Section 234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

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

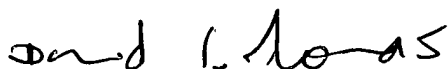
- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor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

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006.

AUDITOR

Deloitte LLP, have expressed their willingness to be appointed for another term, and appropriate arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting.

This report was approved by the board on 23 October 2015 and signed on its behalf.



D F Thomas
Director

BARRATT COMMERCIAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

The Directors are responsible for preparing 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 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 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 accounting estimates that are reasonable and prudent;
- 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.

BARRATT COMMERCIAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARRATT COMMERCIAL LIMITED

We have audited the financial statements of Barratt Commercial Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 19. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

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

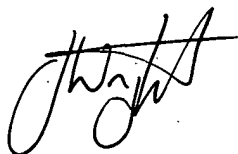
BARRATT COMMERCIAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARRATT COMMERCIAL LIMITED

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; or
the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report, or in preparing the Directors Report.



James Wright FCA (Senior statutory auditor)

for and on behalf of
Deloitte LLP

Chartered Accountants and Statutory Auditor

London
UK

23 October 2015

BARRATT COMMERCIAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 £000	2014 £000
TURNOVER	1,2	840	612
Cost of sales		<u>(487)</u>	<u>(348)</u>
GROSS PROFIT		353	264
Administrative expenses		(5)	(15)
Other operating income	3	<u>2</u>	<u>-</u>
OPERATING PROFIT	4	350	249
EXCEPTIONAL ITEMS			
Impairment of investments in subsidiary undertakings	5	<u>-</u>	<u>(86)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		350	163
Income from other fixed asset investments		-	2,690
Interest receivable and similar income	6	<u>760</u>	<u>305</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,110	3,158
Tax on profit on ordinary activities	7	<u>(246)</u>	<u>(101)</u>
PROFIT FOR THE FINANCIAL YEAR	15	<u>864</u>	<u>3,057</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 8 to 15 form part of these financial statements.

BARRATT COMMERCIAL LIMITED
REGISTERED NUMBER: 00168039

BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£000	2015 £000	£000	2014 £000
CURRENT ASSETS					
Stocks	10	-		92	
Debtors	11	10,927		10,431	
Cash in hand		1,167		455	
		<u>12,094</u>		<u>10,978</u>	
CREDITORS: amounts falling due within one year	12	<u>(1,607)</u>		<u>(1,355)</u>	
NET CURRENT ASSETS			<u>10,487</u>		<u>9,623</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,487</u>		<u>9,623</u>
PROVISIONS FOR LIABILITIES					
Other provisions	13		<u>(687)</u>		<u>(687)</u>
NET ASSETS			<u>9,800</u>		<u>8,936</u>
CAPITAL AND RESERVES					
Called up share capital	14		5,860		5,860
Profit and loss account	15		3,940		3,076
SHAREHOLDER'S FUNDS	16		<u>9,800</u>		<u>8,936</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 October 2015.



D F Thomas
Director

The notes on pages 8 to 15 form part of these financial statements.

BARRATT COMMERCIAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

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 applicable accounting standards.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The principal accounting policies, which have been applied consistently throughout the year and the preceding year, are detailed below:

1.2 Going concern

The Directors have formed a judgement, at the time of approving the financial statements, that there is an expectation that the Group, and therefore the Company, has adequate resources to continue in existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements as set out in the going concern section of the Directors' Report.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover represents gross rents receivable and total proceeds of building and development recognised on completion, excluding value added tax.

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Properties held for sale

Properties held for sale, comprising properties previously held for investment, are stated at the lower of cost and net realisable value.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes legal costs of purchase, development land tax where applicable and direct construction costs, but excludes finance charges. Where necessary, provision is made for obsolete, slow moving and defective stocks.

BARRATT COMMERCIAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1. ACCOUNTING POLICIES (continued)**1.9 Current Taxation**

UK Corporation tax is provided on taxable profits at the current rate.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2. TURNOVER

The principal activities of the Company are the development of, and trading in, commercial properties, all of which are carried out in the United Kingdom. Turnover comprised rental income of £613,000 (2014 - £612,000), and the Company's share of the proceeds from the sales of land and completed commercial properties of £227,000 (2014 - £nil).

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2015	2014
	£000	£000
Sale of freehold reversions	2	-

BARRATT COMMERCIAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£000	£000
Operating lease rentals - other including land and buildings	259	259

Administration expenses include costs recharged by other Group companies.

Fees payable to the Company's auditor

Fees payable to the Company's auditor, Deloitte LLP, for the audit of the Company's annual accounts were borne by another Group company and amounted to £6,000 in the current year (2014 - £6,000). Fees paid to the Company's auditor for tax compliance were borne by another Group company and amounted to £1,500 in the current year (2014 - £1,500).

Directors' emoluments

None of the Directors received any remuneration from the Company during the year (2014 - £NIL). Mr M S Clare and Mr D F Thomas are or were also Directors of Barratt Developments PLC and their emoluments of £3,175,000 (2014 - £3,198,000) are included within the Annual Report and Accounts of that company. Mr D C Wilford is also an employee of Wilson Bowden Developments Limited. It is not practicable to allocate their emoluments between their services as Directors of Barratt Commercial Limited, and their services in respect of other Group companies.

Retirement benefits are accruing to no Directors (2014 - none) under a defined benefit scheme.

The Company had no employees in the year to 30 June 2015 (2014 - none). Group employees involved in the administration of the Company have contracts of service with BDW Trading Limited and their costs have been borne by other Group companies.

5. EXCEPTIONAL ITEMS

	2015	2014
	£000	£000
Impairment of investments in subsidiary undertakings	-	86

In the prior year, following a review of the net asset value of the Company's subsidiary undertakings, and receipt of interim dividends of £1,124,000 from Barratt Southern Properties Limited and £1,565,524 from Barratt Properties Limited, the Company reduced the value of its investment in its subsidiary undertakings resulting in a charge of £86,000.

6. INTEREST RECEIVABLE

	2015	2014
	£000	£000
Interest receivable from Group companies	760	305

BARRATT COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

7. TAXATION

	2015 £000	2014 £000
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	231	107
Adjustments in respect of prior years	15	(6)
Tax on profit on ordinary activities	<u>246</u>	<u>101</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	<u>1,110</u>	<u>3,158</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%)	230	711
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	1
Adjustments to tax charge in respect of prior years	15	(6)
Dividends from UK companies	-	(605)
Current tax charge for the year (see note above)	<u>246</u>	<u>101</u>

Factors that may affect future tax charges

As set out in the Finance Act 2013, the main rate of corporation tax reduced from 21% to 20% on 1 April 2015. Accordingly, the current year tax charge has been provided for at an effective rate of 20.75% (2014 - 22.50%).

In the July 2015 Summer Budget the Chancellor of the Exchequer announced the intention to reduce the main rate of corporation tax from 20% to 19% with effect from 1 April 2017 and from 19% to 18% with effect from 1 April 2020. These changes had not been substantively enacted at the balance sheet date.

There is no unrecognised deferred tax asset or liability in either year.

BARRATT COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

8. DIVIDENDS

	2015 £000	2014 £000
Ordinary		
2014 interim dividend paid at 64 pence per share	-	15,001
	-	15,001

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 July 2014 and 30 June 2015	86
Impairment	
At 1 July 2014 and 30 June 2015	86
Net book value	
At 30 June 2015	-
<i>At 30 June 2014</i>	-

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Barratt Southern Properties Limited	Ordinary	100 %
Barratt Properties Limited	Ordinary	100 %
Barratt East Anglia Limited	Ordinary	100 %

The above subsidiaries are non-trading companies all of which are registered in England and Wales.

10. STOCKS

	2015 £000	2014 £000
Land and work in progress	-	92

BARRATT COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

11. DEBTORS

	2015 £000	2014 £000
Trade debtors	113	158
Amounts owed by Group undertakings	10,716	10,150
Other debtors	15	40
Prepayments and accrued income	83	83
	<u>10,927</u>	<u>10,431</u>

Amounts owed by Group undertakings are unsecured and have no fixed repayment date. Current accounts are interest free and a market rate of interest is credited on funding loan balances.

12. CREDITORS:

Amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	3	4
Amounts owed to Group undertakings	1,058	1,010
Corporation tax	231	107
Other taxation and social security	72	26
Other creditors	12	12
Accruals and deferred income	231	196
	<u>1,607</u>	<u>1,355</u>

Amounts due to Group undertakings are unsecured, interest free and have no fixed repayment date.

13. PROVISIONS

	£000
At 1 July 2014 and 30 June 2015	<u>687</u>

The provision relates to property costs for which the associated cash flows are expected to be incurred during the remaining term of the commitments.

14. CALLED UP SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
23,439,328 Ordinary shares of £0.25 each	<u>5,860</u>	<u>5,860</u>

BARRATT COMMERCIAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. RESERVES

	Profit and loss account £000
At 1 July 2014	3,076
Profit for the financial year	864
At 30 June 2015	3,940

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	2015 £000	2014 £000
Opening shareholder's funds	8,936	20,880
Profit for the financial year	864	3,057
Dividends (Note 8)	-	(15,001)
Closing shareholder's funds	9,800	8,936

17. OPERATING LEASE COMMITMENTS

At 30 June 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £000	2014 £000	2015 £000	Other 2014 £000
Expiry date:				
After more than 5 years	259	259	-	-

18. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption permitted by Financial Reporting Standard No.8 'Related Party Disclosures' and has not disclosed intra-group transactions with other companies that are wholly owned by the Group.

BARRATT COMMERCIAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is Barratt Developments PLC, a company incorporated in England. Barratt Developments PLC is the undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 30 June 2015. The consolidated financial statements of Barratt Developments PLC are available from Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF.

The immediate parent company is also Barratt Developments PLC.