Registered No 966604

TULLETT PREBON (EUROPE) LIMITED

Report and Financial Statements
31 December 2011

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COMPANIES HOUSE

The directors present their annual report and financial statements for the year ended 31 December 2011

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £54,790,000 (2010 £56,071,000) and will be transferred to reserves

The directors paid interim dividends in 2011 of £55,500,000 (2010 £51,000,000), £28,000,000 was paid on the 4 August 2011 and £27,500,000 was paid on the 30 March 2011

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company is a wholly owned subsidiary of Tullett Prebon plc and operates as part of the Group's European inter-dealer broker ("IDB") business It is authorised and regulated by the Financial Services Authority

The Company's principal activity during the year continued to be that of an IDB in wholesale money, foreign exchange, off balance sheet financial instruments, Gilts, corporate repos, Global Depositary Receipts and energy markets, providing services to banks, other financial institutions, local authorities and corporate clients The Company operates a hybrid business model with liquidity pools being managed by voice brokers supported by proprietary screens which display historical data, analytics and real time prices The Company is a member of the International Capital Markets Association, The London Stock Exchange and NYSE Euronext Paris and Amsterdam On the 7 February 2011 the Company became a category 2 level member of the London Metal Exchange

Although the world's financial markets remained unsettled throughout the year, yield curves in the major developed economies flattened further, dampening activity in certain asset classes Whilst there were periods of significant market volatility which resulted in heightened levels of activity, there were also some relatively prolonged periods of more subdued activity The business benefits from the increased volumes in the financial markets that occur during periods of market turbulence, but levels of activity tend to reduce sharply when volatility is overshadowed by structural uncertainty

As shown in the Company's profit and loss account on page 6, the Company's revenue has increased by 1 1% over the prior year to £340,556,000 The business has delivered strong growth in revenue in Fixed Income and Energy, benefiting from buoyant markets and the investments made in those areas over the last three years Revenues in Treasury Products and Interest Rate Option products continue to be affected by lower activity in these markets The Company's operating profit for the year ended 31 December 2011 was £76,953,000, a £4,380,000 decrease from 2010 This equates to an operating margin of 22 6% for the business compared with the 24 1% achieved in 2010

The balance sheet on page 8 of the financial statements shows that the Company's net assets have decreased to £91,330,000 (2010 £92,370,000) mainly as a result of decreased retained earnings Cash balances have increased by £639,000 compared to 2010, and reflects regulatory cash movements Net current assets have decreased to £84,889,000 (2010 £87,812,000) and are sufficient to meet all existing liabilities that fall due

During the year, the Company established a Spanish Branch in Madrid and commenced trading in November 2011 The Spanish Branch currently brokers European Power Products

The Company's Paris and Luxembourg branches continued in operation throughout 2011, however the Tokyo branch ceased trading in September 2011

The Tullett Prebon plc Group manages its European IDB broking operations on a regional basis For this reason, the Company's directors believe that further key performance indicators at Company level are not necessary or appropriate for an understanding of the development, performance or position of the business The performance of the European IDB broking region, which includes the Company, is discussed in the Group's annual report which does not form part of this Report

GOING CONCERN

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 in preparing the financial statements

Further details regarding the adoption of the going concern basis can be found in note 1, accounting policies, in the financial statements on page 9

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks which the Company faces in its day to day operations can broadly be categorised as credit, market, operational, liquidity and reputational risk

Credit risk is the risk of financial loss to the Company in the event of non performance by a client or counterparty with respect to its contractual obligations to the Company As the Company's business is contracted on an agency or intermediary basis, the main credit risk is actually more akin to a market risk, as the exposure in such cases is to movements in securities prices and foreign currency A significant proportion of transactions brokered by the Company are on a 'Name Give-Up' basis, where the Company acts as agent in arranging the trade Whilst the Company does not suffer any exposure in relation to the underlying instrument brokered (given that the Company is not a principal to the trade), it is exposed to the risk that the client fails to pay the brokerage it is charged

Market risk is the vulnerability of the Company to movements in the value of financial instruments Market risk can arise in those instances where one or both counterparties in a Matched Principal transaction fail to fulfil their obligations (i e an initially unsettled transaction) or through trade mismatches or other errors The risk in these situations is restricted to short-term price movements in the underlying securities held or to be delivered by the Company and movements in foreign exchange rates

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people activities, systems or external events

Liquidity risk is the risk that the Company, in periods of corporate or market volatility, will not have access to an appropriate level of cash or funding to enable it to finance its ongoing operations and any other reasonable unanticipated events on cost effective terms Cash and equivalent balances are held with the primary objective of capital security and availability, with a secondary objective of generating returns Funding requirements and cash and equivalent exposures are monitored by the Group Risk and Treasury Committee

Reputational risk is the risk that the Company's ability to do business might be damaged as a result of its reputation being tarnished

Management in front office and support functions have the day to day responsibility for ensuring that the Company operates in accordance with the Group Risk Assessment Framework which includes policies and procedures for these key risks Further details of the Group Risk Assessment Framework are fully outlined in the Group's Annual Report, which does not form part of this report

ENVIRONMENTAL POLICY

The nature of the Company's activities is such that it has a minimal direct effect on the environment However, management have agreed to adopt Group policies to safeguard the environment, to meet statutory requirements, or where such policies are commercially sensible

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements on page 12

The Company participates in the Group's policies and practices relating to current and prospective employees These policies and procedures are outlined in the Group's Annual Report which does not form part of this report

DIRECTORS

The following directors held office during the year

M Binns
J Birkholz (appointed 23 December 2011)
M P Bolton (appointed 4 November 2011)
N M Brown
S M Clark
B Dennahy
S C Duckworth (resigned 29 February 2012)
P S Dunkley
A C Hadley
G D Harris
S D Lewis
A L Monkhouse (appointed 13 October 2011)
R W Osborne
L J Page
R G Parkes
A A Polydor
N J J Potter
T C Smith
R B Stevens (resigned 30 September 2011)
A J D Wink

DIRECTORS' INDEMNITIES

The Company's ultimate parent, Tullett Prebon plc has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

POLICY OF PAYMENT TO SUPPLIERS

The Company follows the Group's policy that all transactions are settled in accordance with relevant terms and conditions of business agreed with the supplier, provided all such terms and conditions have been complied with

AUDITORS

Each of the persons who is a director at the date of approval of this annual report confirms 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 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 auditors are aware of that information

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

Pursuant to s386 of the Companies Act 1985, an elective resolution was passed on 16 March 2005 dispensing with the requirement to appoint auditors annually This election was in force immediately before 1 October 2007 Therefore, Deloitte LLP are deemed to continue as auditors

This report was approved by the Board of Directors and signed on its behalf by

N. Chall

N L Challen
Company Secretary
Date 5 March 2012

Registered office
Tower 42
Level 37
25 Old Broad Street
London
EC2N 1HQ

Registered No
966604

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 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 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, 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TULLETT PREBON (EUROPE) LIMITED

We have audited the financial statements of Tullett Prebon (Europe) Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 21 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 indentify material inconsistencies with the audited financial statements 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 31 December 2011 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

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

Manbhinder Rana F.C.A. (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
Date 5 March 2012

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2011

	Notes	*2011* *£000*	*2010* *£000*
TURNOVER	2	340,556	336,889
Staff costs	4	(201,788)	(198,207)
Other administration expenses		(63,038)	(58,616)
Total administration expenses		(264,826)	(256,823)
Other operating income	6	1,223	1,267
OPERATING PROFIT	3	76,953	81,333
Interest receivable and similar income	7	281	351
Interest payable and similar charges	8	(13)	(20)
Dividends received and receivable		149	18
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		77,370	81,682
Tax charge on profit on ordinary activities	9	(22,580)	(25,611)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	19	54,790	56,071

Profit for the current and proceeding year relates solely to continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2011

	2011 *£000*	*2010* *£000*
Profit for the financial year	54,790	56,071
Foreign exchange translation differences on foreign currency net investment in branches	(330)	(589)
Total recognised gains for the year	54,460	55,482

BALANCE SHEET
as at 31 December 2011

	Notes	*2011* *£000*	*2010* *£000*
FIXED ASSETS			
Intangible assets	10	1,285	1,795
Tangible assets	11	2,747	3,094
Other investments	12	2,902	952
		6,934	5,841
CURRENT ASSETS			
Debtors due within one year	13	208,049	95,761
Cash at bank and in hand	15	60,741	60,102
		268,790	155,863
CREDITORS: amounts falling due within one year	16	(183,901)	(68,051)
NET CURRENT ASSETS		84,889	87,812
TOTAL ASSETS LESS CURRENT LIABILITIES		91,823	93,653
CREDITORS: amounts falling due after one year	17	(493)	(1,283)
NET ASSETS		91,330	92,370
CAPITAL AND RESERVES			
Called-up share capital	18	23,000	23,000
Share premium account	19	2,051	2,051
Profit and loss account	19	66,279	67,319
SHAREHOLDERS' FUNDS	19	91,330	92,370

The financial statements of Tullett Prebon (Europe) Limited (registered number 966604) were approved by the Board of Directors and authorised for issue on 5 March 2012

Signed on its behalf by

A J D Wink
Director

1. ACCOUNTING POLICIES

Accounting convention
The financial statements are prepared under the historical cost convention, and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Going Concern
After consideration of the Company's business review and the risks and uncertainties as set out on page 2 of the directors' report, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Accordingly, the going concern basis continues to be used in preparing these financial statements

Goodwill
Goodwill arising on the acquisition of businesses representing the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 10 years Provision is made for any impairment

Intangible fixed assets
The cost of intangible fixed assets is their purchase cost, together with any incidental costs at acquisition Intangible fixed assets are stated at cost less accumulated amortisation The cost is written off in equal annual instalments based on the estimated useful lives, which are

Computer Software	3 to 5 years

Tangible fixed assets
The cost of fixed assets is their purchase cost, together with any incidental costs at acquisition Fixed assets are stated at cost less accumulated depreciation and provision for any impairment The cost is written off in equal annual instalments based on the estimated useful lives, which are

Motor vehicles	3 to 5 years
Plant and machinery, fixtures and fittings	3 to 5 years
Land and buildings	over the period of the lease

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease

Other investments
Other investments including associates and other investments and loans are shown at cost less provision for impairment

Cash flow statement
The Company is exempt from reporting a cash flow statement in accordance with FRS 1 Cash Flows Statement (Revised 1996), as the Company is a wholly owned subsidiary of Tullett Prebon plc, which is registered in England and Wales and which prepares group financial statements which are publicly available

Turnover
Turnover comprises

Name Give Up brokerage, where counterparties to a transaction settle directly with each other Invoices are raised monthly for the provision of the service of matching buyers and sellers of financial instruments Turnover is stated net of VAT, rebates and discounts and is recognised in full on trade date

1. **ACCOUNTING POLICIES (continued)**

Matched Principal brokerage, turnover being the net of the buy and sell proceeds from counterparties who have simultaneously committed to buy and sell the financial instrument Turnover is recognised on trade date Turnover includes revenue from Tullett Prebon (Equities) Limited whose business was acquired by Tullett Prebon (Europe) Limited on the 1 February 2010

Trade date accounting
Security transactions and related income are recorded on a trade date basis

Broker contract payments
Brokers are employed on fixed term contracts Broker contract payments made in accordance with a contract's terms that are in advance of the expected economic benefit due to the Group are accounted for as prepayments and included within prepayments and accrued income Broker contract payments made in advance are subject to repayment conditions during the contract period and the prepayment is amortised over the shorter of the contract term and the period the payment remains recoverable Amounts that are irrecoverable, or become irrecoverable are written off immediately Broker contract prepayments are subject to annual review

Broker contract payments made in arrears are accrued and are included within accruals and deferred income

Foreign currencies
Transactions in foreign currencies are converted at exchange rates ruling at the transaction dates

Monetary assets and liabilities, denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at the balance sheet date Exchange gains and losses are taken to the profit and loss account

For the purpose of presenting the financial statements, the assets and liabilities of the Company's foreign operations are translated at exchange rates prevailing on the balance sheet date Exchange differences arising are classified as equity

Leasing and hire purchase commitments
Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and their useful lives The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet, while the interest elements are charged to the profit and loss account over the period of the lease to produce a constant rate of charge on the balance of capital repayments outstanding

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease

Taxation
Current taxation is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

1. ACCOUNTING POLICIES (continued)

Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered Deferred tax assets and liabilities are not discounted

Related party transactions
The Company has taken advantage of reporting exemptions in accordance with FRS 8 Related Party Transactions, since it is a wholly owned subsidiary of a group where the voting rights are controlled within the Group and the Group's parent financial statements are publicly available

Segmental reporting
The Company has taken advantage of reporting exemptions in accordance with SSAP 25 Segmental Reporting, since it is a subsidiary of a group which provides segmental information in compliance with an equivalent accounting standard

Financial Instruments
The Company is exempt from FRS 29 Financial Instruments Disclosures, as it is a wholly owned subsidiary of Tullett Prebon plc whose consolidated financial statements are publicly available and include disclosures equivalent to that required under FRS 29

2. TURNOVER

Turnover is analysed by geographic area as follows

	2011	*2010*
	£000	*£000*
Europe	340,556	336,889

3. OPERATING PROFIT

This is stated after charging

	2011	*2010*
	£000	*£000*
Depreciation of property, plant and equipment (Note 11)		
-owned	93	88
-held under finance leases and hire purchase contracts	174	204
Operating lease rentals		
- land and buildings	267	253
Amortisation of intangible assets (Note 10)	503	504
Auditor's remuneration for the audit of the Company's statutory accounts	93	90

A material proportion of the Company's expenditure, including auditors' remuneration in respect of audit work, is incurred by Tullett Prebon Group Limited This is recovered by Tullett Prebon Group Limited by way of a management charge to the Company

4. STAFF COSTS

	2011	*2010*
	£000	*£000*
Wages and salaries	172,921	173,356
Social security costs	25,252	23,938
Other pensions costs	3,615	913
	201,788	198,207

The Company's operations are carried out by employees of the Companies branches and Tullett Prebon Group Limited Staff costs represent amounts incurred directly or charged to the Company as a direct allocation of expenses by Tullett Prebon Group Limited During the year, the average monthly number of employees identified as being directly involved in the operation of the Company was 613 (2010 604)

Pension schemes are operated for the employees of Tullett Prebon Group Limited Full details of the pension schemes including the main financial assumptions for the defined benefit plans, are disclosed in accordance with FRS 17 Retirement Benefits, in the financial statements of Tullett Prebon Group Limited

The pension charge for the year was £3,615,000 (2010 £913,000) which represents a direct allocation of expenses by Tullett Prebon Group Limited to the Company

5. DIRECTORS' EMOLUMENTS

	2011	*2010*
	£000	*£000*
Emoluments (including pension contributions)	9,862	9,603
Company contributions paid to pension schemes	80	154

At 31 December 2011 retirement benefits were accruing to 13 directors (2010 17) under a defined contribution scheme

5. DIRECTORS' EMOLUMENTS (continued)

The amount in respect of the highest paid director is as follows

	2011	*2010*
	£000	*£000*
Emoluments (excluding pension contributions)	1,410	1,748
Company contributions paid to pension schemes	39	1

6. OTHER OPERATING INCOME

Other operating income represents receipts other than those earned through Name Give Up or Matched Principle turnover

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2011	*2010*
	£000	*£000*
Group interest receivable	-	165
Other interest receivable	281	186
	281	351

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	*2010*
	£000	*£000*
Interest payable under finance leases	13	20
	13	20

9. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2011 *£000*	*2010* *£000*
Current tax		
UK corporation tax charge on profit for the year	22,704	25,644
Adjustment to tax in respect of prior years	(166)	(95)
Foreign tax paid	42	57
Total current tax	22,580	25,576
Deferred tax		
Current year deferred tax	-	35
Tax charge on profit on ordinary activities	22,580	25,611

Factors affecting the current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26 5% (2010 28%) The differences are reconciled below

	2011 *£000*	*2010* *£000*
Profit on ordinary activities before tax	77,370	81,682
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK	20,503	22,871
Expenses not deductable for tax purposes	2,219	2,766
Utilisation of losses not recognised for deferred tax	(9)	-
Tax effect of stock options	-	(16)
Other timing differences	30	28
Non-taxable dividends	(39)	(5)
Foreign tax paid	42	27
Adjustment to tax in respect of previous periods	(166)	(95)
Current tax charge for the year	22,580	25,576

10. INTANGIBLE ASSETS

10a. Goodwill

Goodwill (the fair value of assets acquired less the cost of acquisition) relates to acquisition of businesses from Tullett Liberty GmbH and Tullett Prebon (Oil) Limited, both group companies, on 1 November 2002 and 31 October 2010 respectively Goodwill is being amortised over its estimated useful life of 10 years

10. INTANGIBLE ASSETS (continued)

	Goodwill *£'000*
Cost	
At 1 January 2011	4,492
At 31 December 2011	4,492
Amortisation	
At 1 January 2011	(2,704)
Charge for the year	(503)
At 31 December 2011	(3,207)
Net book value	
At 31 December 2011	1,285
At 31 December 2010	1,788

10b. Other Intangible Assets

	Purchased Software *£'000*
Cost	
At 1 January 2011	148
Disposals	(14)
At 31 December 2011	134
Amortisation	
At 1 January 2011	(141)
Charge for the year	2
Disposals	5
At 31 December 2011	(134)
Net book value	
At 31 December 2011	-
At 31 December 2010	7

11. TANGIBLE FIXED ASSETS

	Land and Buildings £'000	Plant and Machinery fixtures and fittings £'000	Motor Vehicles £'000	Total £'000
Cost				
At 1 January 2011	3,074	645	774	4,493
Additions	-	65	-	65
Disposals	(13)	(102)	(267)	(382)
Exchange adjustments	(61)	(10)	(19)	(90)
At 31 December 2011	3,000	598	488	4,086
Depreciation				
At 1 January 2011	(451)	(414)	(534)	(1,399)
Charge for year	(52)	(93)	(122)	(267)
Disposals	-	50	259	309
Exchange adjustments	9	2	7	18
At 31 December 2011	(494)	(455)	(390)	(1,339)
Net book value				
At 31 December 2011	2,506	143	98	2,747
At 31 December 2010	2,623	231	240	3,094

The net book value of assets under finance leases and hire purchases contracts was £190,255 (2010 £243,071)

12. OTHER INVESTMENTS

	Associate & Other Investments £'000
Cost	
At 1 January 2011	952
Additions	1,950
At 31 December 2011	2,902

12. OTHER INVESTMENTS (continued)

	Associate & Other Investments
	£'000
Net book value	
At 31 December 2011	2,902
At 31 December 2010	952

At 31 December 2011 the Company held investments in the issued share capital of the following companies

Company	*Business*	*Country of incorporation*	*% held*
Associates			
Tullett Prebon SITICO (China) Limited	Derivatives and money broking	China	33%
Other Investments and loans			
Euroclear plc 1,809 ordinary shares shares of €1 each	Settlement agent	Belgium	<1%
LME Holdings Ltd 25,000 ordinary shares shares of £0 01 each	Dealing Exchange	England	<1%

13. DEBTORS

	2011 £000	2010 £000
Amounts falling due within one year		
Trade debtors	28,115	32,247
Amounts owed by group undertakings	12,654	15,077
Settlement balances	163,466	45,079
Prepayments and accrued income	3,437	2,963
Other debtors	377	395
	208,049	95,761

Included in settlement balances is an amount of £163,416,499 (2010 £44,923,314) in respect of transactions not yet due for settlement This amount represents sale of securities where settlement will take place on a delivery versus payment basis The form of these transactions is that the Company takes temporary control until the transactions are settled Settlement balances past due date total £50,823 (2010 £155,721), and are received in the normal course of business

14. DEFERRED TAX ASSET

The deferred tax asset arising from share options is £nil (2010 £nil)

	2011 £000	2010 £000
Movements during the year		
At 1 January	-	35
Credited/ (charged) to profit and loss account	-	(35)
At 31 December	-	-

15. CASH AT BANK AND IN HAND

Cash at bank for 2011 is £60,741,000 (2010 £60,102,000) At 31 December 2011 client money held in a segregated bank account, representing balances owed to customers, was £nil (2010 £53,215)

16 CREDITORS: amounts falling due within one year

	2011 £000	2010 £000
Obligations under finance leases and hire purchases (Note 17a)	67	148
Trade creditors	734	712
Other creditors	996	53
Settlement balances	163,420	45,063
Corporation tax	15,214	16,643
Accruals and deferred income	3,470	5,432
	183,901	68,051

16. CREDITORS amounts fallıng due wıthın one year **(continued)**

Included ın settlement balances above ıs an amount of £163,368,994 (2010 £44,917,100) ın respect of transactıons not yet due for settlement Settlement balances past due date total £50,821 (2010 £145,450), and are paıd ın the normal course of busıness

17. CREDITORS: amounts fallıng due after one year

	2011 *£000*	*2010* *£000*
Oblıgatıons under finance leases and hıre purchases	61	132
Amounts owed to group undertakıngs	-	681
Accruals and deferred ıncome	432	470
	493	1,283

17a. Borrowıngs are repayable as follows

	2011 *£000*	*2010* *£000*
Fınance Leases		
Between one and two years	60	69
Between two and five years	2	63
	62	132
On demand or wıthın one year	67	148
	129	280

18 CALLED–UP SHARE CAPITAL

	2011 *£000*	*2010* *£000*
Allotted, called-up and fully paıd 23,000,000 ordınary shares of £1 each (2010 23,000,000)	23,000	23,000

19. RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £000	*Share premium account £000*	*Profit and loss account £000*	*Total equity shareholders' funds £000*
At 1 January 2010	23,000	2,051	62,837	87,888
Profit for the year	-	-	56,071	56,071
Dividend paid in the year	-	-	(51,000)	(51,000)
Foreign exchange translation differences on foreign currency net investment in branches	-	-	(589)	(589)
At 1 January 2011	23,000	2,051	67,319	92,370
Profit for the year	-	-	54,790	54,790
Dividend paid in the year	-	-	(55,500)	(55,500)
Foreign exchange translation differences on foreign currency net investment in branches	-	-	(330)	(330)
At 31 December 2011	23,000	2,051	66,279	91,330

20. FINANCIAL COMMITMENTS

The Company had annual commitments under non-cancellable operating leases as set out below

	2011 Buildings £'000	*2011 Other £'000*	*2010 Buildings £'000*	*2010 Other £000*
Annual commitment on leases expiring				
- within one year	133	1	244	38
- in two to five years	307	110	309	41
31 December	440	111	553	79

21. PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Tullett Prebon Investment Holdings Limited

The Company's ultimate parent and controlling party is Tullett Prebon plc

The parent undertaking of the smallest group which includes the Company for which group accounts are prepared is Tullett Prebon Group Holdings plc

The parent undertaking of the largest group which includes the Company for which group accounts are prepared is Tullett Prebon plc

Copies of Tullett Prebon Group Holdings plc and Tullett Prebon plc financial statements are available from the registered office Tower 42, Level 37, 25 Old Broad Street, London, EC2N 1HQ