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COMPANIES HOUSE

BARRATT & COOKE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011

Registered number 5378036
FSA firm number 428789

BARRATT & COOKE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2011

Directors	C W L Barratt M K Warren W J Barratt S C L Barratt J R Barclay (Non-executive) J D Hambro (Non-executive)
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Secretary	M K Warren
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Place of business	5 Opie Street Norwich NR1 3DW
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Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Kingfisher House 1 Gilders Way St James Place Norwich NR3 1UB
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Solicitors	Mills and Reeve LLP 1 St James Court Whitefriars Norwich NR3 1RU
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BARRATT & COOKE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2011

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BARRATT & COOKE LIMITED

CHAIRMAN'S STATEMENT

2010/2011 was a very significant year for Barratt & Cooke, as I became High Sheriff of Norfolk on 6 April 2010 for the whole year, only attending the office a few days a week

This proved that all the planning of the last 3 years really had worked with

Clients delegated to other Advisors
All systems working

Indeed, it proved that it was the whole fabric of the firm Barratt & Cooke that mattered and there was a hugely positive response of appreciation of the new advisors

Past investment in staff came to fruition with the younger members of the team, passing, and in some cases completing examinations. Staff recruitment has now stabilised and we have only added one member of staff this year

IT worked extremely smoothly and the long term investment programme continues, along with the development and relocation of our Disaster Recovery Site

All departments have sufficient cover, and one of the final parts of the jigsaw has been completed by Sam Barratt understudying Martin Warren. Sam Barratt became a Main Board Director on 1 April 2011, in conjunction with Martin Warren, as the "administration" of the business is equally important as clients and their portfolio management

Throughout the year we have continued to standardise our Barratt & Cooke advice, meeting each specific client's unique requirements using Barratt & Cooke model portfolios. This has increased efficiency, helped compliance, and indeed improved performance. The Barratt & Cooke investment policy was much appreciated by clients in these turbulent times with a balanced portfolio of

Cash
Index Linked Gilt/Fixed Interest
Leading Equity (most FTSE100)
Foreign (Trust and Equity)

Stockmarkets stabilised during 1 April 2010 to 31 March 2011, with the FTSE100 rising from 5680 to 5908. However there was volatility in between giving investment opportunities

Bank Base Rates remained at a 300 year low of 0.5%, which we consider a totally artificial level, and believe will rise in due course, just as RPI has risen to over 4%

Barratt & Cooke profits have been hit by a £194,000 "Financial Service Compensation Scheme Levy", largely due to Keydata and Wills & Co (which are nothing to do with Barratt & Cooke)

Barratt & Cooke has been hit by all the "inflationary costs", but remaining competitive, we have decided not to raise commissions, fees, or indeed bring in a management fee, as nearly all other stockbrokers charge

The statistics speak for themselves

	31 March 2009	31 March 2010	31 March 2011	% Change 2010/2011
FTSE Government All Stocks UK Gilt Index	157.18	152.10	153.14	+ 0.7%
FTSE 100 Index	3926	5680	5908	+ 4.0%
APCIMS Balanced Index	2230	2861	2985	+ 4.3%

BARRATT & COOKE LIMITED

CHAIRMAN'S STATEMENT

	5 April 2009 £	5 April 2010 £	5 April 2011 £	% Change 2010/2011
Funds under management	796,356,015	1,050,754,828	1,124,171,299	+ 7.0%
Execution only	-	-	16,824,435	
Advisory Management	494,583,125	640,673,822	647,656,934	
	494,583,125	640,673,822	664,481,369	+ 3.7%
Discretionary Management	301,772,890	410,081,006	459,689,930	+ 12.1%

82.4% of funds under management are in Barratt & Cooke Nominees

20.0% of funds under management are in ISAs

1.5% of funds under management are in Execution Only

57.6% of funds under management are in Advisory

40.9% of funds under management are in Discretion

100.0%

It is our aim to increase Discretionary management to 50% by 2013 meaning that there will be a major thrust on transferring Advisory to Discretionary in 2011, 2012 and 2013

We are disappointed that the Coalition Government have increased top rate income tax to 50%. Though the Capital Gains Tax exemption has been raised from £10,100 to £10,600. The ISA limit has been raised to £10,680, with the Junior ISA being launched on 1 November 2011.

This continues to strengthen the case for ISA.

We enter 2011/2012 with "uprisings" in Libya, Egypt, Tunisia, Bahrain, Syria etc.

With British troops in Afghanistan.

Natural disasters of earthquakes and tsunamis in Japan and New Zealand.

With a Coalition Government having taken on the economy in a very bad state from Labour.

While Bank Base Rate is at a 300 year low of 0.5%, inflation is rising and RPI has increased to over 4.0%.

Higher and higher taxation.

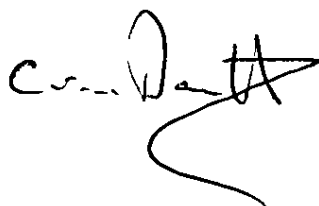
However equity markets have remained relatively stable throughout these crises, which give us a degree of confidence in Stock Markets for 2011/2012.

With Barratt & Cooke we enter 2011/12 with

- 1) Liquidity over £5m
- 2) We own all our own office properties
- 3) The staff development programme has proved excellent, where we have built a "Premiership Team" for the future
- 4) Client portfolios are balanced and meet our clients requirements, which the advisory team actively manage
- 5) Funds under management are over £1bn

I would finally like to thank all the staff for their excellent work this year.

C W L Barratt
Chairman
10 June 2011



BARRATT & COOKE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the company for the year ended 31 March 2011

Principal activity

The principal activity of the company during the year was that of an independent firm of stockbrokers

Business review and key performance indicators

A review of the business, including the key performance indicators, can be found in the Chairman's statement

Group reconstruction

As part of a group reconstruction, the shares in Barratt & Cooke Limited were initially transferred to Eynhallowtwo Limited on 20 July 2010 as part of a share for share exchange agreement and subsequently to Barratt & Cooke Holdings Limited on 20 October 2010

Dividends

Interim dividends totalling £3,564,723 were paid during the year as shown below No final dividend is proposed

	2011 £
Paid in specie as part of the group reconstruction	
First interim dividend (equal to value of London Stock Exchange Group plc shares)	3,410,400
Paid in cash as part of the group reconstruction	
Second interim dividend	100,000
Paid in cash to Barratt & Cooke Holdings Limited	
Third interim dividend	54,323
	<hr/> 3,564,723 <hr/>

Directors

The directors who held office during the year were as follows

C W L Barratt
M K Warren
W J Barratt
J R Barclay
J D Hambro

S C L Barratt was appointed a director on 1 April 2011

Principal risks and uncertainties

The company's core activities are stockbroking and management of investments In common with other businesses carrying out similar activity, the principal risks and uncertainties it faces are fluctuations in the stock market and loss of consumer confidence in the financial markets The directors believe the company is well placed to successfully deal with any such challenges should they arise

Financial risk management objectives and policies

The company uses various financial instruments including deposit accounts, cash and items such as trade debtors and trade creditors that arise directly from its operations The main purpose of these financial instruments is to ensure sufficient finance for the company's operations

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below The main risks arising from the company's financial instruments are credit risk, liquidity risk and investment risk The directors review and agree policies for managing each of these risks and they are summarised below These policies have remained unchanged from the previous year

BARRATT & COOKE LIMITED

REPORT OF THE DIRECTORS

Credit risk

The company's principal credit risk relates to the recovery of amounts owed by clients and counterparties. In order to manage credit risk management set limits for customers which are reviewed on a regular basis. Debts are regularly chased.

Liquidity risk

As a result of positive cash flows from operating activity and the net current asset position, the directors do not consider liquidity or cashflow risk to be an issue although these areas are closely monitored to ensure the company's procedures continue to operate effectively in order to minimise risk.

Investment risk

The directors continue to build up the liquid capital of the company with the long term aim of achieving a minimum of 5 times the minimum liquidity requirements. The directors have chosen to invest in Index Linked Gilts to minimise, as far as possible, the risks associated with the investments.

Directors' liability insurance

During the year the company maintained liability insurance for its directors, as permitted by Section 233 of the Companies Act 2006.

Fixed assets

In the opinion of the directors, the market value of the freehold land and buildings at 31 March 2011 would exceed the book value included in the financial statements but they are unable to quantify this excess in the absence of a full professional valuation, the costs of which are not considered justifiable in view of the company's intention to retain ownership of the freehold land and buildings for use in its existing business for the foreseeable future.

Donations

The company donated £850 (2010: £110,465) to local charities during the year and hopes to make further donations in 2011/2012.

Statement of directors' responsibilities

The directors are responsible for preparing the report of the directors 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 laws). 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 and 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,
- 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 & COOKE LIMITED

REPORT OF THE DIRECTORS

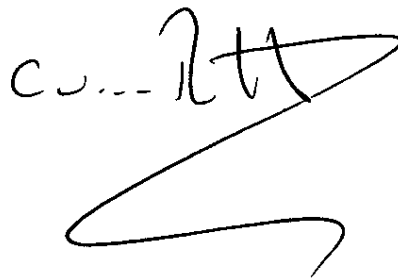
Statement of directors' responsibilities (continued)

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

ON BEHALF OF THE BOARD

C W L Barratt
Director
10 June 2011

A handwritten signature in black ink, appearing to read 'C W L Barratt', with a large, sweeping flourish underneath.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BARRATT & COOKE LIMITED

We have audited the financial statements of Barratt & Cooke Limited for the year ended 31 March 2011 which comprise the principal accounting policies, the profit and loss account, the statement of total recognised gains and losses, the note of historical cost profits and losses, the balance sheet, the cash flow statement and the related notes. 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 member 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 member 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 member, 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 statement of directors' responsibilities on pages 4 and 5, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 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 report of the directors 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.

**NIGEL SAVORY
SENIOR STATUTORY AUDITOR
FOR AND ON BEHALF OF GRANT THORNTON UK LLP
STATUTORY AUDITOR, CHARTERED ACCOUNTANTS**

NORWICH

10 June 2011.

BARRATT & COOKE LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention, except they have been modified to include the revaluation of quoted investments

GOING CONCERN

The company has generated sufficient financial resources from its activities to allow the directors to believe that the company is well placed to manage its business risks successfully in the current economic climate

Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

CONSOLIDATION

In accordance with Section 400 of the Companies Act 2006, the company has not prepared consolidated financial statements on the basis that it is a wholly owned subsidiary undertaking of Barratt & Cooke Holdings Limited which produces publicly available consolidated financial statements. Accordingly these financial statements present information about the company and not its group

RELATED PARTY DISCLOSURES

The company is exempt under the terms of Financial Reporting Standard 8 (revised) from disclosing related party transactions with the Barratt & Cooke Holdings Limited group as all undertakings in the group are wholly owned

TURNOVER

Credit is taken for brokerage, commissions and settlement fees on the basis of completed deals and of bought and sold contract notes issued up to the last business day, prior to the year end

ISA management fee income is based on portfolio valuations at two specified dates during the year. Nominee fees are based on a charge per investment held in a nominee name on a specified date. Income from management fees and nominee fees is taken to the profit and loss account in accordance with Urgent Issues Task Force Abstract 40, "Revenue Recognition and Service Contracts"

RENTAL INCOME

Rental income is recognised in the profit and loss account in the year in which the income is receivable

DEPRECIATION

Depreciation of tangible fixed assets is calculated in order to write down the cost of each asset to its residual value over its estimated useful economic life

The principal annual rates used are

Freehold buildings	2% straight line
Short leasehold property	over the length of the lease
Furniture and equipment	25% straight line

Freehold land is not depreciated

FIXED ASSET INVESTMENTS

Quoted investments are stated at market value. Unquoted investments are stated at cost

TAXATION

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19, provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date, except that deferred tax assets are only recognised to the extent that they are regarded as recoverable. Deferred tax balances are not discounted

BARRATT & COOKE LIMITED

PRINCIPAL ACCOUNTING POLICIES

PENSION SCHEME

Employer's contributions to the employees' personal pension schemes are charged to the profit and loss account in the year in which they accrue

OPERATING LEASES

Operating lease payments are charged to the profit and loss account in the year in which they accrue

CONVERSION OF FOREIGN CURRENCIES

Assets and liabilities expressed in currencies other than sterling have been converted at rates of exchange ruling at the end of the year. Profits or losses on exchange arising from trading transactions have been dealt with in the profit and loss account

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

BARRATT & COOKE LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 2011

	Note	2011 £	2010 £
Turnover	1	6,945,691	6,703,275
Cost of sales		(44,948)	(49,461)
Gross profit		6,900,743	6,653,814
Administrative expenses		(4,864,428)	(4,923,427)
Other operating income		55,680	153,696
Operating profit	1	2,091,995	1,884,083
Income from fixed asset investments	4	113,665	250,960
Profit on disposal of fixed asset investments		-	391,933
Profit on ordinary activity before interest		2,205,660	2,526,976
Interest receivable and similar income	5	244,085	208,352
Interest payable and similar charges	6	(11,378)	(16,916)
Profit on ordinary activity before taxation		2,438,367	2,718,412
Tax on profit on ordinary activity	7	(709,734)	(744,823)
Profit for the financial year	17	1,728,633	1,973,589

The above results relate to the continuing activity

The accompanying accounting policies and notes form an integral part of these financial statements

BARRATT & COOKE LIMITED**OTHER PRIMARY STATEMENTS**

For the year ended 31 March 2011

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2011 £	2010 £
Profit for the financial year		1,728,633	1,973,589
Unrealised gain on revaluation of quoted investments	10	171,930	936,806
Total recognised gains and losses relating to the year		1,900,563	2,910,395

NOTE OF HISTORICAL COST PROFITS AND LOSSES

		2011 £	2010 £
Reported profit on ordinary activity before taxation		2,438,367	2,718,412
Realisation of quoted investments revaluation gains of previous years	17	761,530	5,879
Historical cost profit on ordinary activity before taxation		3,199,897	2,724,291
Historical cost profit for the year retained after taxation		2,490,163	1,979,468

The accompanying accounting policies and notes form an integral part of these financial statements

BARRATT & COOKE LIMITED**BALANCE SHEET AT 31 MARCH 2011**

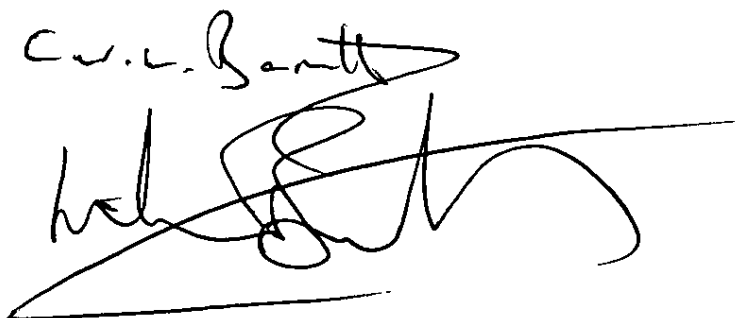
Company number 5378036

	Note	2011	2010
		£	£
Fixed assets			
Tangible fixed assets	9	2,904,621	2,935,349
Fixed asset investments	10	4,959,694	7,517,894
		<u>7,864,315</u>	<u>10,453,243</u>
Current assets			
Debtors	11	2,918,850	1,930,802
Cash at bank and in hand	12	6,131,813	5,015,991
		<u>9,050,663</u>	<u>6,946,793</u>
Creditors' amounts falling due within one year	13	<u>(7,334,475)</u>	<u>(6,175,588)</u>
Net current assets		<u>1,716,188</u>	<u>771,205</u>
Total assets less current liabilities		<u>9,580,503</u>	<u>11,224,448</u>
Provision for liabilities			
Deferred tax	14	(20,215)	-
Net assets		<u>9,560,288</u>	<u>11,224,448</u>
Share capital and reserves			
Called up equity share capital	16	100,000	100,000
Merger reserve	17	2,697,071	2,697,071
Revaluation reserve	17	418,615	1,008,215
Profit and loss account	17	6,344,602	7,419,162
Equity shareholder's funds	18	<u>9,560,288</u>	<u>11,224,448</u>

The financial statements were approved by the directors and authorised for issue on 10 June 2011 and are signed on their behalf by

C W L Barratt Director

W J Barratt Director



The accompanying accounting policies and notes form an integral part of these financial statements

BARRATT & COOKE LIMITED**CASH FLOW STATEMENT**

For the year ended 31 March 2011

	Note	2011 £	2010 £
Net cash inflow from operating activity	21	2,362,149	25,517
Returns on investments and servicing of finance	22	345,078	446,148
Taxation paid		(711,135)	(476,346)
Capital expenditure and financial investment	22	2,684,453	(1,071,221)
		<u>4,680,545</u>	<u>(1,075,902)</u>
Equity dividends paid	8	(3,564,723)	(993,122)
		<u>1,115,822</u>	<u>(2,069,024)</u>
Increase/(decrease) in cash in the year	23	1,115,822	(2,069,024)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

For the year ended 31 March 2011

	Note	2011 £	2010 £
Increase/(decrease) in cash in the year		1,115,822	(2,069,024)
Net funds at 1 April 2010		5,015,991	7,085,015
		<u>6,131,813</u>	<u>5,015,991</u>
Net funds at 31 March 2011	23	6,131,813	5,015,991

The accompanying accounting policies and notes form an integral part of these financial statements

BARRATT & COOKE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

1 TURNOVER AND OPERATING PROFIT

All turnover arose within the United Kingdom Operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation	76,405	77,753
Auditor's remuneration - audit	24,240	21,500
- taxation services	5,780	5,600
- other services	76,240	25,260
Operating lease rental payable	5,100	-
Rental income receivable	(55,000)	(55,000)
Foreign exchange gains	(4,043)	(6,549)

Liability Limitation Agreement with the auditor - the company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2011. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the shareholder on 11 June 2010.

2 STAFF COSTS AND NUMBERS

The average monthly number of employees during the year was

	Number of employees	
	2011	2010
Directors	5	5
Administration	42	41
	47	46

The costs incurred during the year were

	2011 £	2010 £
Wages and salaries	2,869,037	3,196,241
Social security costs	341,581	371,712
Other pension costs (note 19)	290,685	174,679
	3,501,303	3,742,632

3 EMOLUMENTS OF DIRECTORS

	2011 £	2010 £
Directors' emoluments (including benefits in kind)	796,161	1,017,845
Contributions to directors' personal pension schemes	6,630	6,368

The aggregate emoluments of the highest paid director were £325,057 (2010 £419,680). No amounts were paid in respect of the director's pension scheme (2010 £Nil).

Retirement benefits are accruing to one director (2010 one director).

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

4 INCOME FROM FIXED ASSET INVESTMENTS

	2011 £	2010 £
Dividends receivable		
UK investments	11	161,265
Overseas investments	17,582	20,526
Interest receivable		
UK investments	96,072	69,169
	<u>113,665</u>	<u>250,960</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2011 £	2010 £
Bank interest receivable	240,042	201,803
Foreign exchange gain	4,043	6,549
	<u>244,085</u>	<u>208,352</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Bank interest paid	6	22
Bank charges	6,423	4,924
Interest payable on purchase of fixed asset investments	889	11,970
Interest on late payment of tax	4,060	-
	<u>11,378</u>	<u>16,916</u>

7 TAX ON PROFIT ON ORDINARY ACTIVITY**(a) Analysis of charge for the year**

	2011 £	2010 £
Corporation tax		
UK corporation tax on profit for the year	686,545	737,816
Adjustment in respect of previous years	(29,291)	39,272
	<u>657,254</u>	<u>777,088</u>
Current taxation charge for the year (note 7(b))	657,254	777,088
Deferred tax (note 14)		
Charge/(credit) for the year	50,111	(17,269)
Adjustment in respect of previous years	69	(14,996)
Adjustment for change in the rate of tax	2,300	-
	<u>709,734</u>	<u>744,823</u>
Tax on profit on ordinary activity	709,734	744,823

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

TAX ON PROFIT ON ORDINARY ACTIVITY (CONTINUED)**(b) Factors affecting the tax charge for the year**

The tax assessed for the year is lower (2010 higher) than the standard rate of corporation tax in the UK of 28%. The differences are explained below

	2011 £	2010 £
Profit on ordinary activity before taxation	2,438,367	2,718,412
Profit on ordinary activity multiplied by the standard rate of corporation tax in the UK of 28% - expected charge	682,743	761,155
Effects of		
Expenses not deductible for tax purposes	18,306	237
Depreciation on assets not qualifying for capital allowances	10,827	11,552
Capital allowances in excess of depreciation	(1,831)	(2,839)
Other timing differences	(52,134)	20,108
Franked investment income	(4,926)	(45,154)
Adjustment in respect of overseas dividends	-	(1,642)
Capital gains tax adjustment	-	(20,535)
Treasury stock adjustments	33,560	14,934
Adjustment in respect of previous year	(29,291)	39,272
Current taxation charge for the year (note 7(a))	657,254	777,088

(c) Factors that may affect future tax charges

As a result of the changes implemented by the 2010 Finance Act, the rate of corporation tax in the United Kingdom is being reduced over the next three years from 28% to 24%

No provision has been made for deferred tax on the revaluation of the quoted investments. The directors estimate that tax of £Nil (2010 £304,000) would be payable if the investments were sold at their revalued amount

8 DIVIDENDS

	2011 £	2010 £
Paid in specie as part of the group reconstruction		
First interim dividend (equal to value of London Stock Exchange Group plc shares)	3,410,400	-
Paid in cash as part of the group reconstruction		
Second interim dividend	100,000	-
Paid in cash to Barratt & Cooke Holdings Limited		
Third interim dividend	54,323	-
Paid in cash to C W L Barratt		
First interim dividend	-	250,000
Second interim dividend	-	743,122
	3,564,723	993,122

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

9 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Short leasehold property £	Furniture and equipment £	Total £
Cost				
At 1 April 2010	2,948,639	29,125	565,821	3,543,585
Additions	4,675	-	41,002	45,677
At 31 March 2011	2,953,314	29,125	606,823	3,589,262
Depreciation				
At 1 April 2010	92,164	29,125	486,947	608,236
Charge for the year	37,289	-	39,116	76,405
At 31 March 2011	129,453	29,125	526,063	684,641
Net book value at 31 March 2011	2,823,861	-	80,760	2,904,621
Net book value at 31 March 2010	2,856,475	-	78,874	2,935,349

Freehold land and buildings includes land at cost of £1,079,712 (2010 £1,079,712) which is not depreciated

10 FIXED ASSET INVESTMENTS

	Quoted investments £	Unquoted investments £	Shares in subsidiary undertakings £	Total £
At 1 April 2010	7,443,163	74,431	300	7,517,894
Additions	680,270	-	-	680,270
Disposals	(3,410,400)	-	-	(3,410,400)
Unrealised gain on revaluation of quoted investments (note 17)	171,930	-	-	171,930
At 31 March 2011	4,884,963	74,431	300	4,959,694

The historic net book value of the revalued quoted investments is £4,466,348 (2010 £6,434,948)

The shares in subsidiary undertakings represent the entire issued share capital of three dormant companies, Barratt & Cooke Nominees Limited, Barratt & Cooke GSI Nominees Limited and Barratt & Cooke Trustees Limited, all of which are registered in England and Wales. All of the companies have 100 issued ordinary shares of £1 each and net assets of £100. The companies' financial year end is 31 March 2011. These companies exist solely to act as nominees in whose name investments are held by clients of Barratt & Cooke Limited. They do not trade in their own right.

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

11 DEBTORS

	2011 £	2010 £
Trade debtors	2,496,152	1,530,815
Amounts recoverable on contracts	301,611	270,195
Deferred tax asset (note 14)	-	32,265
Other debtors	14,612	9,099
Prepayments and accrued income	106,475	88,428
	<u>2,918,850</u>	<u>1,930,802</u>

12 CASH AT BANK AND IN HAND

	2011 £	2010 £
Client settlement money	1,186,413	1,440,005
Client free money	2,120,775	2,094,614
	<u>3,307,188</u>	<u>3,534,619</u>
Firm money	2,824,625	1,481,372
	<u>6,131,813</u>	<u>5,015,991</u>

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	3,500,850	2,491,391
Client free monies	2,132,025	2,104,252
Corporation tax	433,935	487,816
Other tax and social security	299,115	741,071
Accruals and sundry creditors	968,550	351,058
	<u>7,334,475</u>	<u>6,175,588</u>

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

14 DEFERRED TAX

	2011 £	2010 £
Deferred tax (liability)/asset		
Balance at 1 April 2010	32,265	-
(Charge)/credit for the year (note 7(a))	(52,480)	32,265
	<u>(20,215)</u>	<u>32,265</u>
Balance at 31 March 2011	(20,215)	32,265
The deferred tax (liability)/asset comprises		
	2011 £	2010 £
Accelerated capital allowances	(2,967)	(1,295)
Other short term timing differences	(17,248)	33,560
	<u>(20,215)</u>	<u>32,265</u>

15 OPERATING LEASE COMMITMENTS

The company has a commitment to pay annual rentals under an operating lease due to expire as follows

	2011 £	2010 £
Within 2 - 5 years	20,400	-

16 CALLED UP EQUITY SHARE CAPITAL

	2011 £	2010 £
Authorised, allotted, called up and fully paid 100,000 ordinary shares of £1 each	100,000	100,000

17 RESERVES

	Merger reserve £	Revaluation reserve £	Profit and loss account £	Total £
Balance at 1 April 2010	2,697,071	1,008,215	7,419,162	11,124,448
Profit for the financial year	-	-	1,728,633	1,728,633
Equity dividends paid (note 8)	-	-	(3,564,723)	(3,564,723)
Unrealised gain on revaluation of quoted investments (note 10)	-	171,930	-	171,930
Transfer of gains realised on disposal of quoted investments	-	(761,530)	761,530	-
Balance at 31 March 2011	2,697,071	418,615	6,344,602	9,460,288

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

18 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDER'S FUNDS

	2011 £	2010 £
Profit for the financial year	1,728,633	1,973,589
Equity dividends paid (note 8)	(3,564,723)	(993,122)
Unrealised gain on revaluation of quoted investments	171,930	936,806
Net (decrease)/increase in equity shareholder's funds	(1,664,160)	1,917,273
Equity shareholder's funds at 1 April 2010	11,224,448	9,307,175
Equity shareholder's funds at 31 March 2011	9,560,288	11,224,448

19 PENSION COMMITMENTS

Employer's contributions to the employees' personal pension schemes during the year were £290,685 (2010 £174,679). At 31 March 2011 there were no outstanding or prepaid contributions (2010 £Nil).

20 RELATED PARTIES AND CONTROL

As part of a group reconstruction, the shares in Barratt & Cooke Limited were initially transferred to Eynhallowtwo Limited on 20 July 2010 as part of a share for share exchange agreement and subsequently to Barratt & Cooke Holdings Limited on 20 October 2010.

Throughout the year, the controlling party remained C W L Barratt by virtue of his 100% interest in the share capital of Barratt & Cooke Limited for the period from 1 April 2010 to 20 July 2010, Eynhallowtwo Limited for the period from 20 July 2010 to 20 October 2010 and Barratt & Cooke Holdings Limited for the period from 20 October 2010 to date.

During the year the company earned commission of £2,044 (2010 £4,260) from JO Hambro Capital Management Limited, an entity linked to J D Hambro, director.

21 RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW

	2011 £	2010 £
Operating profit	2,091,995	1,884,083
Depreciation	76,405	77,753
(Increase)/decrease in debtors	(1,020,313)	307,467
Increase/(decrease) in creditors	1,212,768	(2,240,034)
Accrued interest receivable	1,294	(3,752)
Net cash inflow from operating activity	2,362,149	25,517

BARRATT & COOKE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

22 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011	2010
	£	£
Returns on investment and servicing of finance		
Interest received and similar income	242,791	212,104
Income from fixed asset investments	113,665	250,960
Interest and bank charges paid	(10,489)	(4,946)
Other interest paid	(889)	(11,970)
	<u>345,078</u>	<u>446,148</u>
Net cash inflow for returns on investments and servicing of finance		
	<u>345,078</u>	<u>446,148</u>
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(45,677)	(30,407)
Payments to acquire fixed asset investments	(680,270)	(3,374,744)
Proceeds of disposal of fixed assets investments	3,410,400	2,333,930
	<u>2,684,453</u>	<u>(1,071,221)</u>
Net cash inflow/(outflow) for capital expenditure and financial investment		
	<u>2,684,453</u>	<u>(1,071,221)</u>

23 ANALYSIS OF CHANGE IN NET FUNDS

	At 1 April 2010	Cash flows	At 31 March 2011
	£	£	£
Cash at bank and in hand	5,015,991	1,115,822	6,131,813
	<u>5,015,991</u>	<u>1,115,822</u>	<u>6,131,813</u>

24 FIRM STATUS

The firm is fully independent