

BARRATT & COOKE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2012

WEDNESDAY



A1CXPJZ4

A22

11/07/2012

#213

COMPANIES HOUSE

Registered number 5378036
FSA firm number 428789

BARRATT & COOKE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2012

Directors	C W L Barratt M K Warren W J Barratt S C L Barratt J R Barclay (Non-executive)
-----------	--------------------------------------------------------------------------------------------

Secretary	M K Warren
-----------	------------

Place of business	5 Opie Street Norwich NR1 3DW
-------------------	-------------------------------------

Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Kingfisher House 1 Gilders Way St James Place Norwich NR3 1UB
---------	--------------------------------------------------------------------------------------------------------------------------------------------------

Solicitors	Mills and Reeve LLP 1 St James Court Whitefriars Norwich NR3 1RU
------------	------------------------------------------------------------------------------

BARRATT & COOKE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2012

INDEX	PAGE
Chairman's statement	1
Report of the directors	2 - 4
Independent auditor's report	5
Principal accounting policies	6 - 7
Profit and loss account	8
Statement of total recognised gains and losses	9
Note of historical cost profits and losses	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12 - 19
Unaudited Appendix - Pillar 3 disclosure	

BARRATT & COOKE LIMITED

CHAIRMAN'S STATEMENT

2011/2012 has been a quiet year for stockbrokers generally, largely due to the credit crisis within Europe causing uncertainty in markets and in currencies. This has led to extremely low interest rates with base rates remaining at 0.5% for the whole year, while inflation stayed firmly above 3.5%. With the financial uncertainty, there has been very little M&A activity and the prospects for 2013 do not look much better.

Quiet market conditions have been reflected in a reduced profit, however we have continued to build up liquidity, and have a very strong balance sheet to protect against the uncertainties of the future.

We are frustrated by the excessive levies charged by the Financial Services Compensation Fund which are likely to continue in 2012/2013 following the demise of M F Global, Arch Cru and others. None of these losses have anything to do with Barratt & Cooke or its clients, and yet we have to pay for their demise.

We are extremely pleased with our 'Graduate Training Programme' which we started a few years ago to invest in talent for the future. It is this 'enthusiasm of youth', supported by the 'old shoulders' that will now take Barratt & Cooke into the next generation of stockbroking.

I cannot let this moment pass to confirm for posterity that the Chairman passed his

- CISI Level 6 Certificate in Private Client Investment Advice & Management

with the following Assessor's comment

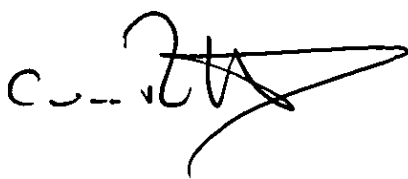
"Though there are no higher grades for this assessment but simply a pass or a fail, the Assessors were very impressed with the depth of knowledge and experience displayed within the interview as well as the substantial amount of work that had very clearly been put into preparing for the examination."

Perhaps I have learnt something in 43 years stockbroking.

I should like to thank every single one of our excellent staff for another good year. Nobody could have done better under the quiet circumstances.

I look forward to 2013 with cautious optimism.

C W L Barratt
Chairman
15 June 2012



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 2012

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 can be found in the Chairman's Statement Key performance indicators are

	£	£
Turnover	6,491,381	6,945,691
Operating profit	1,480,853	2,091,995
Fixed asset investments	6,814,767	4,959,694
Firms' cash	2,594,944	2,824,625
Equity shareholder's funds	11,147,514	9,560,288
	<hr/>	<hr/>
Number of employees	48	47
	<hr/>	<hr/>

These indicators show the strength of Barratt & Cooke

Dividends

Interim dividends totalling £124,027 were paid during the year No final dividend is proposed

Directors

The directors who held office during the year were as follows

C W L Barratt

M K Warren

W J Barratt

S C L Barratt (appointed 1 April 2011)

J R Barclay

J D Hambro (resigned 23 March 2012)

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

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

BARRATT & COOKE LIMITED

REPORT OF THE DIRECTORS

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 10 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 2012 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 £394 (2011 £850) to local charities during the year and hopes to make further donations in 2012/2013

Barratt & Cooke also use their fund at the Norfolk Community Foundation to make major donations

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

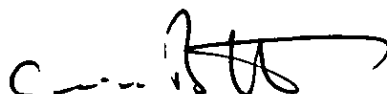
Statement of directors' responsibilities (continued)

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
15 June 2012





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 2012 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 3 and 4, 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 2012 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.

A handwritten signature in black ink, appearing to read "Nigel Savory".

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

NORWICH
15 June 2012

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 is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. 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 2012

	Note	2012 £	2011 £
Turnover	1	6,491,381	6,945,691
Cost of sales		(41,396)	(44,948)
Gross profit		6,449,985	6,900,743
Administrative expenses		(5,024,612)	(4,864,428)
Other operating income		55,480	55,680
Operating profit	1	1,480,853	2,091,995
Income from fixed asset investments	4	106,169	113,665
Loss on disposal of fixed asset investments		(2,670)	-
Profit on ordinary activity before interest		1,584,352	2,205,660
Interest receivable and similar income	5	216,790	244,085
Interest payable and similar charges	6	(5,655)	(11,378)
Profit on ordinary activity before taxation		1,795,487	2,438,367
Tax on profit on ordinary activity	7	(457,982)	(709,734)
Profit for the financial year	17	1,337,505	1,728,633

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 2012

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2012 £	2011 £
Profit for the financial year		1,337,505	1,728,633
Unrealised gain on revaluation of quoted investments	10	373,748	171,930
Total recognised gains and losses relating to the year		<u>1,711,253</u>	<u>1,900,563</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

		2012 £	2011 £
Reported profit on ordinary activity before taxation		1,795,487	2,438,367
Realisation of quoted investments revaluation gains of previous years	17	72,973	761,530
Historical cost profit on ordinary activity before taxation		<u>1,868,460</u>	<u>3,199,897</u>
Historical cost profit for the year retained after taxation		<u>1,410,478</u>	<u>2,490,163</u>

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

BARRATT & COOKE LIMITED**BALANCE SHEET AT 31 MARCH 2012**

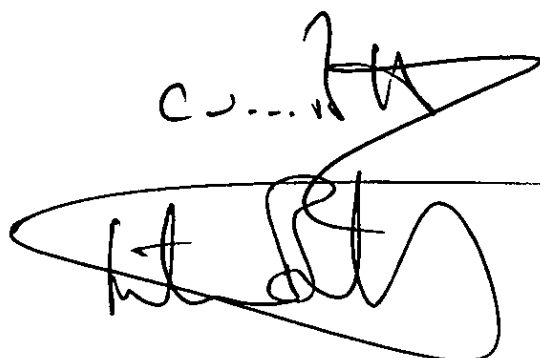
Company number 5378036

	Note	2012	2011
		£	£
Fixed assets			
Tangible fixed assets	9	2,868,151	2,904,621
Fixed asset investments	10	6,814,767	4,959,694
		<u>9,682,918</u>	<u>7,864,315</u>
Current assets			
Debtors	11	1,052,743	2,918,850
Cash at bank and in hand	12	5,561,768	6,131,813
		<u>6,614,511</u>	<u>9,050,663</u>
Creditors: amounts falling due within one year	13	(5,149,915)	(7,334,475)
Net current assets		<u>1,464,596</u>	<u>1,716,188</u>
Total assets less current liabilities		<u>11,147,514</u>	<u>9,580,503</u>
Provision for liabilities			
Deferred tax	14	-	(20,215)
Net assets		<u>11,147,514</u>	<u>9,560,288</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	719,390	418,615
Profit and loss account	17	7,631,053	6,344,602
Equity shareholder's funds	18	<u>11,147,514</u>	<u>9,560,288</u>

The financial statements were approved by the directors and authorised for issue on 15 June 2012 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 2012

	Note	2012 £	2011 £
Net cash inflow from operating activity	21	1,446,968	2,362,149
Returns on investments and servicing of finance	22	318,227	345,078
Taxation paid		(682,481)	(711,135)
Capital expenditure and financial investment	22	(1,528,732)	2,684,453
		<u>(446,018)</u>	<u>4,680,545</u>
Equity dividends paid	8	(124,027)	(3,564,723)
		<u>(570,045)</u>	<u>1,115,822</u>
(Decrease)/increase in cash in the year	23	(570,045)	1,115,822

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

For the year ended 31 March 2012

	Note	2012 £	2011 £
(Decrease)/increase in cash in the year		(570,045)	1,115,822
Net funds at 1 April 2011		6,131,813	5,015,991
		<u>5,561,768</u>	<u>6,131,813</u>
Net funds at 31 March 2012	23	5,561,768	6,131,813

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 2012

1 TURNOVER AND OPERATING PROFIT

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

	2012 £	2011 £
Depreciation	81,207	76,405
Auditor's remuneration - audit	26,500	24,240
- taxation services	6,450	5,780
- other services	8,000	76,240
Operating lease rental payable	20,400	5,100
Rental income receivable	(55,000)	(55,000)
Foreign exchange gains	(6,945)	(4,043)
	<u> </u>	<u> </u>

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 2012 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 10 June 2011

2 STAFF COSTS AND NUMBERS

The average monthly number of employees during the year was

	Number of employees 2012	2011
Directors	6	5
Administration	42	42
	<u> </u>	<u> </u>
	48	47
	<u> </u>	<u> </u>

The costs incurred during the year were

	2012 £	2011 £
Wages and salaries	3,177,232	2,869,037
Social security costs	378,756	341,581
Other pension costs (note 19)	200,980	290,685
	<u> </u>	<u> </u>
	3,756,968	3,501,303
	<u> </u>	<u> </u>

3 EMOLUMENTS OF DIRECTORS

	2012 £	2011 £
Directors' emoluments (including benefits in kind)	1,170,230	796,161
Contributions to directors' personal pension schemes	18,000	6,630
	<u> </u>	<u> </u>

The aggregate emoluments of the highest paid director were £350,717 (2011 £325,057) No amounts were paid in respect of the director's pension scheme (2011 £Nil)

Retirement benefits are accruing to two directors (2011 one director)

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

For the year ended 31 March 2012

4 INCOME FROM FIXED ASSET INVESTMENTS

	2012 £	2011 £
Dividends receivable		
UK investments	-	11
Overseas investments	11,616	17,582
Interest receivable		
UK investments	94,553	96,072
	<u>106,169</u>	<u>113,665</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2012 £	2011 £
Bank interest receivable	209,845	240,042
Foreign exchange gain	6,945	4,043
	<u>216,790</u>	<u>244,085</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2012 £	2011 £
Bank interest paid	-	6
Bank charges	1,968	6,423
Interest payable on purchase of fixed asset investments	2,476	889
Interest on late payment of tax	1,211	4,060
	<u>5,655</u>	<u>11,378</u>

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

	2012 £	2011 £
Corporation tax		
UK corporation tax on profit for the year	516,778	686,545
Adjustment in respect of previous years	(1,442)	(29,291)
	<u>515,336</u>	<u>657,254</u>
Current taxation charge for the year (note 7(b))		
Deferred tax (note 14)		
(Credit)/charge for the year	(57,354)	50,111
Adjustment in respect of previous years	-	69
Adjustment for change in the rate of tax	-	2,300
	<u>457,982</u>	<u>709,734</u>
Tax on profit on ordinary activity		

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

For the year ended 31 March 2012

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

The tax assessed for the year is higher (2011 lower) than the standard rate of corporation tax in the UK of 26% (2011 28%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activity before taxation	1,795,487	2,438,367
Profit on ordinary activity multiplied by the standard rate of corporation tax in the UK of 26% (2011 28%) - expected charge	466,826	682,743
Effects of		
Expenses not deductible for tax purposes	965	18,306
Depreciation on assets not qualifying for capital allowances	10,036	10,827
Capital allowances in excess of depreciation	(1,976)	(1,831)
Other timing differences	-	(52,134)
Franked investment income	(3,020)	(4,926)
Treasury stock adjustments	43,947	33,560
Adjustment in respect of previous year	(1,442)	(29,291)
Current taxation charge for the year (note 7(a))	515,336	657,254

(c) Factors that may affect future tax charges

As a result of the changes implemented by the 2011 Finance Act, the rate of corporation tax in the United Kingdom is being reduced over the next three years from 26% to 22%

No provision has been made for deferred tax on the revaluation of the quoted investments. The directors estimate that tax of £Nil (2011 £Nil) would be payable if the investments were sold at their revalued amount

8 DIVIDENDS

	2012 £	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
First interim dividend	124,027	-
	124,027	3,564,723

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

For the year ended 31 March 2012

9 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Short leasehold property £	Furniture and equipment £	Total £
Cost				
At 1 April 2011	2,953,314	29,125	606,823	3,589,262
Additions	5,930	-	38,807	44,737
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	2,959,244	29,125	645,630	3,633,999
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2011	129,453	29,125	526,063	684,641
Charge for the year	37,378	-	43,829	81,207
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	166,831	29,125	569,892	765,848
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 31 March 2012	2,792,413	-	75,738	2,868,151
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 31 March 2011	2,823,861	-	80,760	2,904,621
	<hr/>	<hr/>	<hr/>	<hr/>

Freehold land and buildings includes land at cost of £1,079,712 (2011 £1,079,712) which is not depreciated

10 FIXED ASSET INVESTMENTS

	Quoted investments £	Unquoted investments £	Shares in subsidiary undertakings £	Total £
At 1 April 2011	4,884,963	74,431	300	4,959,694
Additions	2,635,586	-	-	2,635,586
Disposals	(1,154,261)	-	-	(1,154,261)
Unrealised gain on revaluation of quoted investments (note 17)	373,748	-	-	373,748
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	6,740,036	74,431	300	6,814,767
	<hr/>	<hr/>	<hr/>	<hr/>

The historic net book value of the revalued quoted investments is £6,020,646 (2011 £4,466,348)

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 2012. 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 2012

11 DEBTORS

	2012 £	2011 £
Trade debtors	581,090	2,496,152
Amounts recoverable on contracts	294,115	301,611
Deferred tax asset (note 14)	37,139	-
Other debtors	12,436	14,612
Prepayments and accrued income	127,963	106,475
	<u>1,052,743</u>	<u>2,918,850</u>

12 CASH AT BANK AND IN HAND

	2012 £	2011 £
Client settlement money	476,508	1,186,413
Client free money	2,490,316	2,120,775
	<u>2,966,824</u>	<u>3,307,188</u>
Firm money	2,594,944	2,824,625
	<u>5,561,768</u>	<u>6,131,813</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade creditors	941,255	3,500,850
Client free monies	2,498,685	2,132,025
Corporation tax	266,790	433,935
Other tax and social security	292,352	299,115
Accruals and sundry creditors	1,150,833	968,550
	<u>5,149,915</u>	<u>7,334,475</u>

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

For the year ended 31 March 2012

14 DEFERRED TAX

	2012 £	2011 £
Deferred tax asset/(liability)		
Balance at 1 April 2011	(20,215)	32,265
Credit/(charge) for the year (note 7(a))	57,354	(52,480)
	<u>37,139</u>	<u>(20,215)</u>
Balance at 31 March 2012		
	<u>37,139</u>	<u>(20,215)</u>
The deferred tax asset/(liability) comprises		
	2012 £	2011 £
Accelerated capital allowances	(7,285)	(2,967)
Other short term timing differences	44,424	(17,248)
	<u>37,139</u>	<u>(20,215)</u>

15 OPERATING LEASE COMMITMENTS

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

	2012 £	2011 £
Within 2 - 5 years	20,400	20,400

16 CALLED UP EQUITY SHARE CAPITAL

	2012 £	2011 £
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 2011	2,697,071	418,615	6,344,602	9,460,288
Profit for the financial year	-	-	1,337,505	1,337,505
Equity dividends paid (note 8)	-	-	(124,027)	(124,027)
Unrealised gain on revaluation of quoted investments (note 10)	-	373,748	-	373,748
Transfer of gains realised on disposal of quoted investments	-	(72,973)	72,973	-
Balance at 31 March 2012	<u>2,697,071</u>	<u>719,390</u>	<u>7,631,053</u>	<u>11,047,514</u>

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

For the year ended 31 March 2012

18 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDER'S FUNDS

	2012 £	2011 £
Profit for the financial year	1,337,505	1,728,633
Equity dividends paid (note 8)	(124,027)	(3,564,723)
Unrealised gain on revaluation of quoted investments	373,748	171,930
	<hr/>	<hr/>
Net increase/(decrease) in equity shareholder's funds	1,587,226	(1,664,160)
Equity shareholder's funds at 1 April 2011	9,560,288	11,224,448
	<hr/>	<hr/>
Equity shareholder's funds at 31 March 2012	11,147,514	9,560,288
	<hr/>	<hr/>

19 PENSION COMMITMENTS

Employer's contributions to the employees' personal pension schemes during the year were £200,980 (2011 £290,685) At 31 March 2012 there were no outstanding or prepaid contributions (2011 £Nil)

20 RELATED PARTIES AND CONTROL

The parent undertaking of Barratt & Cooke Limited is Barratt & Cooke Holdings Limited The company is incorporated in England and Wales Consolidated accounts are available from Companies House, Cardiff, CF4 3UZ Throughout the year, the controlling party remained C W L Barratt by virtue of his 100% interest in the share capital of Barratt & Cooke Holdings Limited

During the year the company earned commission of £1,417 (2011 £2,044) from JO Hambro Capital Management Limited, an entity linked to J D Hambro, director J D Hambro resigned as director on 23 March 2012

21 RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW

	2012 £	2011 £
Operating profit	1,480,853	2,091,995
Depreciation	81,207	76,405
Decrease/(increase) in debtors	1,903,246	(1,020,313)
(Decrease)/increase in creditors	(2,017,415)	1,212,768
Accrued interest receivable	(923)	1,294
	<hr/>	<hr/>
Net cash inflow from operating activity	1,446,968	2,362,149
	<hr/>	<hr/>

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

For the year ended 31 March 2012

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

	2012	2011
	£	£
Returns on investment and servicing of finance		
Interest received and similar income	217,713	242,791
Income from fixed asset investments	106,169	113,665
Interest and bank charges paid	(3,179)	(10,489)
Other interest paid	(2,476)	(889)
	<u>318,227</u>	<u>345,078</u>
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(44,737)	(45,677)
Payments to acquire fixed asset investments	(2,635,586)	(680,270)
Proceeds of disposal of fixed assets investments	1,151,591	3,410,400
	<u>(1,528,732)</u>	<u>2,684,453</u>

23 ANALYSIS OF CHANGE IN NET FUNDS

	At 1 April 2011 £	Cash flows £	At 31 March 2012 £
Cash at bank and in hand	6,131,813	(570,045)	5,561,768

24 FIRM STATUS

The firm is fully independent

BARRATT & COOKE

STOCKBROKERS & SINCE 1880

Pillar 3 Disclosure

31st March 2012



Introduction

Barratt and Cooke Ltd is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority. The Company has performed an Internal Capital Adequacy Assessment Plan (ICAAP) which highlights the financial risks to the business.

The capital requirement directive has three pillars these are

- 1) Pillar 1 - This is a variable capital requirement based upon the market, credit and operational risk. The firm must maintain capital that is equal to or greater than this requirement.
- 2) Pillar 2 - Requires firms to assess the additional capital that must be retained in order to cover the risks that may not be covered under Pillar 1.
- 3) Pillar 3 - A firm has to publish key information on its risk exposure and its risk management. This must be updated at least annually.

Background of the Firm

Barratt and Cooke Ltd is an incorporated company which has been providing traditional stockbroking advice for over 120 years. Situated in the heart of Norwich, the firm has approximately £1bn under management and although it has clients from all over the country the majority originate from Norfolk and East Anglia.

Barratt and Cooke focus on providing bespoke advice whereby they tailor individual portfolios to the requirement of each client. In order to meet client's objectives, whether their priority is for growth, income or capital preservation, the experienced team of investment managers construct balanced diversified portfolios.

Risk Management Objectives.

This document has been prepared under the requirements of Pillar 3 to provide information about the risk management undertaken and the implications on the Capital requirements. The Board of Directors meet on a regular basis and they determine the risk appetite of the firm and are constantly reviewing and updating the processes and procedures to reduce the risks.

Risk Categories and Definitions

The ICAAP is reviewed and approved by the board half yearly, but will be revised should there be any material changes to the Company's business or risk profile. The ICAAP outlines the risk in BIPRU 11, the following risks have been identified as material to the business and can be divided into four categories:

Operational Risk

Credit Risk

Market Risk

Liquidity Risk

Each of these risks have been addressed in the ICAAP, however the risks can never be completely eliminated

Operational Risk

Operational Risk can be defined as "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events"

Processes and procedures are in place and available to all staff and are updated constantly. The compliance department do numerous checks and monitoring and in addition Professional Indemnity Insurance is held

Credit Risk

Credit Risk is the risk that a client or counterparty will fail to complete a financial transaction according to the terms of the contract, resulting in a loss to the financial institution. The largest risk to the business is if counterparty was to default while the firm had outstanding unsettled stock/funds with them, however the majority of the business is traded using the deliver versus payment process

Market risk

The firm does not proprietary trade and therefore has very limited market risk. In the event that any position was held for any reason then it would be monitored according to a level of degree of risk agreed with by the directors. The firm does hold Index link Gilts for security reasons, the price movement of these is minimal

Liquidity Risk

Liquidity risk is where a firm's cash flow is insufficient to meet its payment obligations as and when they fall due. The firm invests the profits twice yearly into Index Linked Gilts which can be released on a T+0 basis if needed. The board are constantly reviewing and ensuring that there is sufficient liquidity held in the business, the firm does not rely on any debt financing and also owns its own property

Capital Resources

Barratt and Cooke hold sufficient monies to cover the capital requirement

Remuneration Code

Barratt & Cooke are classified as a Tier 4 firm for remuneration purposes as specified in the Financial Services Authority rules. A remuneration committee, consisting of the Directors, deals with all decisions regarding remuneration and identifying the 'code staff' (members of staff whose activities have a material impact of the firm's risk profile). The Barratt & Cooke code staff are the Directors, Non- Executive Directors and the Associate Directors

The number of Code Staff is 7 these are categorised as senior management and staff who's professional activities have a material impact on the firms risk profile (BIPRU 11 5 18R)

	£ 000's
Total Aggregated remuneration in respect of Code Staff	1,494
Fixed Remuneration	785
Variable	709

The disclosures within this document will be updated at least annually