Company Number: 01423001

INTERCAPITAL LIMITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2011

INTERCAPITAL LIMITED
Directors' Report

The dırectors present theır report and the audıted financıal statements of Intercapıtal Lımıted (the Company) for the year ended 31 March 2011

PRINCIPAL ACTIVITY

The Company ıs an ınvestment holdıng company for ICAP plc and ıts subsıdıarıes (the Group) The Company ıs ıncorporated and domıcıled ın England and Wales The regıstered office ıs 2 Broadgate, London, EC2M 7UR

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The dırectors consıder that the year end financıal posıtıon was satısfactory wıth ınvestments held performıng ın lıne wıth expectatıons The dırectors do not antıcıpate thıs to change ın the year to 31 March 2012

Gıven the straıghtforward nature of the busıness, the Company's dırectors are of the opınıon that analysıs usıng key performance ındıcators ıs not necessary for an understandıng of the development, performance or posıtıon of the busıness

RESULTS AND DIVIDENDS

The results of the Company are set out ın the ıncome statement on page 4 The Company dıd not pay a dıvıdend on ıts ordınary shares (2010 £nıl) nor a dıvıdend on ıts preference shares (2010 £nıl)

FINANCIAL RISK MANAGEMENT

Based on the Company's prıncıpal actıvıty the dırectors consıder the maın rısk to the busıness to be financıal The Company's rısk profile and financıal rısk management polıcıes are dısclosed ın note 2 to the financıal statements

DIRECTORS

The dırectors of the Company who held office durıng the year were

D A Abrehart	
I Torrens	(resıgned 17 November 2010)
S Wren	(appoınted 17 November 2010)

AUDITORS

The Company's audıtors, PrıcewaterhouseCoopers LLP, have ındıcated theır wıllıngness to contınue ın office and are deemed reappoınted ın the next financıal year

INTERCAPITAL LIMITED
Company Number 01423001
Directors' Report

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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

In accordance with Section 418, in the case of each director in office at the date the directors' report is approved

(a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

By Order of the Board

D A Abrehart

D Abrehart, Director
27 July 2011

INTERCAPITAL LIMITED
Independent auditor's report to the members of Intercapital Limited

We have audited the parent company financial statements of Intercapital Limited for the year ended 31 March 2011 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, the Accounting Policies and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the Companies Act 2006

Respective responsibilities of directors and auditors
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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 parent 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 director's report to identify 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 parent company 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 and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006, 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 parent company financial statements are prepared is consistent with the parent company 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Carl Sizer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 July 2011

INTERCAPITAL LIMITED
Income statement for the year ended 31 March 2011

	Note	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Administrative expenses	4	(18,763)	(23,431)
Other income	5	-	779
Other expenses	5	-	(248)
Operating loss		(18,763)	(22,900)
Income from investments	10	38,745	8,730
Finance income	7	36,715	41,962
Finance expense	8	(19,827)	(21,082)
Profit before taxation		36,870	6,710
Taxation	9	524	(4,732)
Profit for the year		37,394	1,978

Statement of Comprehensive Income for the year ended 31 March 2011

	Year Ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Profit for the year	37,394	1,978
Total comprehensive income for the year	37,394	1,978

INTERCAPITAL LIMITED
Statement of changes in equity for the year ended 31 March 2011

	Note	Called up share capital £'000	Share premium reserve £'000	Retained earnings £'000	Total £'000
As at 31 March 2009		579,983	5,902	(78,005)	507,880
Profit for the year		-	-	1,978	1,978
Exchange adjustments on preference shares		(2,966)	-	2,966	-
As at 31 March 2010		577,017	5,902	(73,061)	509,858
Profit for the year		-	-	37,394	37,394
Exchange adjustments on preference shares		(2,731)	-	2,731	-
As at 31 March 2011		574,286	5,902	(32,936)	547,252

INTERCAPITAL LIMITED
Company Number 01423001
Balance sheet for the year ended 31 March 2011

	Note	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Non-current assets			
Investments in subsidiaries	10	555,185	665,869
Investments in joint ventures	11	405	405
Investments in associates	12	2,177	2,177
Other receivables	13	955,306	1,195,162
		1,513,073	1,863,613
Current assets			
Other receivables	13	118,526	232,136
Cash and cash equivalents	14	54	665
		118,580	232,801
Total assets		1,631,653	2,096,414
Current liabilities			
Other payables	15	(442,317)	(900,354)
		(442,317)	(900,354)
Non-current liabilities			
Other payables	15	(516,558)	(546,313)
Long term provisions	17	(5,127)	(12,656)
Long term borrowings	16	(120,399)	(127,233)
		(642,084)	(686,202)
Total liabilities		(1,084,401)	(1,586,556)
Net assets		547,252	509,858
Equity			
Called up share capital	18	574,286	577,017
Share premium account		5,902	5,902
Retained earnings		(32,936)	(73,061)
Total equity		547,252	509,858

The financial statements on pages 4 to 20 were approved by the board of directors on 27 July 2011 and were signed on its behalf by

S Wren, Director

INTERCAPITAL LIMITED
Cash flow statement for the year ended 31 March 2011

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Cash flows from operating activities		
Profit before taxation	34,956	6,710
Adjustments for		
Amortisation and impairments	12,931	15,108
Net finance income	(14,975)	(20,880)
Income from investments	(38,745)	(8,730)
Net profit on disposal of investments	-	(530)
Decrease in other receivables	502,155	140,386
Decrease in other payables	(487,792)	(210,291)
Interest received	133	92
Interest paid	(4,147)	(7,421)
Net cash flow from operating activities	4,516	(85,556)
Cash flows from investing activities		
Dividend received	-	8,630
Acquisition of interests in businesses – fellow subsidiaries	(5,127)	-
Acquisition of interests in businesses - associates	-	(2,177)
Acquisition of interests in businesses - joint ventures	-	(23)
Disposal of interests in businesses - subsidiaries	-	66,441
Pre-acquisition dividend received	-	11,944
Net cash flows from investing activities	(5,127)	84,815
Net decrease in cash and cash equivalents	(611)	(741)
Net cash and cash equivalents at beginning of year	665	1,406
Net cash and cash equivalents at end of year	54	665

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared in accordance with IFRS adopted by the European Union (IFRS), International Financial Reporting Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS and therefore comply with Article 4 of the EU International Accounting Standards (IAS) Regulation The financial statements have also been prepared under the historical cost convention, as modified to include the fair value of certain financial instruments in accordance with IFRS

The Company has exercised its entitlement not to produce consolidated financial statements since consolidated financial statements have been prepared by its ultimate parent company ICAP plc (note 20)

Taxation
Tax on the profit for the year comprises current tax including adjustments in respect of prior periods Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date

Foreign currencies
Transactions denominated in foreign currencies are translated into the functional currency at the prior month closing exchange rate At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date Exchange differences are taken to the income statement, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are taken directly to reserves Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined Share capital denominated in foreign currency is retranslated at year end rates

Foreign exchange gains and losses arising on monetary items are shown net within finance gains and losses

Finance expense
All borrowing costs are expensed as finance costs in the income statement using the applicable effective interest rate

Finance income
Interest income is recognised using the effective interest method

Investments in subsidiaries, associates and joint ventures
Investments comprise equity shareholdings and other interests These investments are recorded at historical cost less provision for any impairment in their values Dividend income is recognised upon declaration and interest when receivable

A subsidiary is an entity over which the Company has control Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities

A joint venture is an entity in which the Company has an interest and, in the opinion of the directors, exercises joint control over its operating and financial policies An interest exists where an investment is held on a long-term basis for the purpose of securing a contribution to the Company's activities

Impairment of assets
An impairment review of the recoverable amounts of assets is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred Impairment losses are recognised in the income statement except where the asset was previously revalued For revalued assets the loss is recognised directly against any revaluation surplus with the surplus being recognised in the income statement

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents
Cash equivalents includes all investments readily convertible to a known amount of cash and subject to an insignificant risk of changes in value, having it has a maturity of three months or less from the date of acquisition

Long-term borrowings
Long-term borrowings are initially recognised at fair value, being their issue proceeds net of transaction costs incurred At subsequent reporting dates long-term borrowings are held at amortised cost

Share capital
Ordinary and non-mandatory redeemable preference shares are classified as equity Dividends are recognised as deductions from retained earnings in the period in which they are declared

Exceptional items
Exceptional items are those significant items of a non-recurring nature and material, when considering both size and nature

2 FINANCIAL RISK MANAGEMENT

Financial risk factors
The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance

The overall financial risk management framework, strategy and policies of the Company are determined by the board of its ultimate parent undertaking, ICAP plc The ICAP plc Group Risk and Capital Committee (GRACC) reviews the Group risk exposure and ensures adherence to Group policies in relation to credit, market and operational risks within the risk appetite defined and monitored by the ICAP plc board

Financial assets and liabilities
The Company's financial assets and liabilities are analysed below

Classification of financial assets and liabilities as at 31 March 2011

	Loans and receivables	Total
	£'000	£'000
Financial assets		
Cash and cash equivalents	54	54
Amounts owed by Group companies	1,062,263	1,062,263
Other receivables	11,076	11,076
	1,073,393	1,073,393

	Amortised cost	Total
	£'000	£'000
Financial liabilities		
Other payables	71	71
Borrowings	120,399	120,399
Contingent deferred consideration	2,658	2,658
Amounts owed to Group companies	955,846	955,846
	1,078,974	1,078,974

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Classification of financial assets and liabilities as at 31 March 2010

	Loans and receivables £'000	Total £'000
Financial assets		
Cash and cash equivalents	665	665
Amounts owed by group companies	1,421,604	1,421,604
Other receivables	5,694	5,694
	1,427,963	1,427,963

	Amortised cost £'000	Total £'000
Financial liabilities		
Other payables	2,164	2,164
Borrowings	127,233	127,233
Contingent deferred consideration	15,493	15,493
Amounts owed to group companies	1,425,106	1,425,106
	1,569,996	1,569,996

Group tax receivable is not considered to be a financial asset

Financial assets and liabilities can be reconciled to the balance sheet as follows

	As at 31 March 2011 £'000	As at 31 March 2010 £'000
Financial assets		
Non-current other receivables	955,306	1,195,162
Current other receivables	118,526	232,136
Cash and cash equivalents	54	665
Less Group tax receivable	(493)	-
	1,073,393	1,427,963
Financial liabilities		
Non-current other payables	442,017	546,313
Current other payables	516,558	900,354
Borrowings	120,399	127,233
Provisions	5,127	12,656
Less provision	(5,127)	(12,656)
Less Group tax payable	-	(3,904)
	1,078,974	1,569,996

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011 (continued)

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Market risk

Foreign exchange risk

The Company is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements Transactional exposure arises from administrative and other expenses and remittance of funds in currencies other than the Company's functional currency (sterling), principally United States dollars and euros Translational exposure arises on the conversion of the foreign currency denominated assets and liabilities into sterling Due to the Group hedging strategy in place it is estimated that a 10 cent movement in the exchange rates of the US dollar and the euro (€) would not have a material impact on the Company's income statement The table below summarises the Company's exposure to concentrations of foreign currencies as at 31 March 2011

	US$	Euro	Other	Total
	£'000	£'000	£'000	£'000
Financial assets				
Cash and cash equivalents	-	8	-	8
Amounts owed by group companies	3,265	967	-	4,232
	3,265	975	-	4,240
Liabilities				
Trade and other payables	(15,904)	(14,365)	(11,971)	(42,240)
Borrowings	(120,399)	-	-	(120,399)
	(136,303)	(14,365)	(11,971)	(162,639)
Net financial (liabilities) / assets	(133,038)	(13,390)	(11,971)	(158,399)

The table below summarises the Company's exposure to concentrations of foreign currencies as at 31 March 2010

	US$	Euro	Other	Total
	£'000	£'000	£'000	£'000
Financial assets				
Cash and cash equivalents	6	594	-	600
Amounts owed by group companies	51,653	118	315	52,086
	51,659	712	315	52,686
Liabilities				
Trade and other payables	(29,416)	(672)	(13,290)	(43,378)
Borrowings	(127,233)	-	-	(127,233)
	(156,649)	(672)	(13,290)	(170,611)
Net financial liabilities	(104,990)	40	(12,975)	(117,925)

Interest rate risk

The Company's interest rate risk arises from cash and cash equivalents and loans where changes in market rates can have an adverse impact on cash flows and income streams Interest rate risk is monitored at a Group level by the GRACC

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Price risk
The Company has no exposure to price risk since its investments are unlisted and therefore carried at cost

(ii) Credit risk
Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the Company The Company is exposed to concentrations of credit risk in amounts due from Group companies (note 13) The Group policy is to limit exposure by netting balances All Group companies registered in the UK are party to a netting agreement

In terms of cash and other interest bearing investments, the Company must comply with the Group Investment Policy Limits are in place to restrict the amount that can be invested in one institution and all investments must be credit rated AA or above and be for less than 18 months, unless specifically approved by the GRACC

(iii) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit This is important to ensure that the Company can meet all present and future financial obligations as they fall

The GRACC also monitors free cash resources ensuring that all companies within the Group maintain sufficient resources to finance their operations and that all investments comply with the Group Investment Policy This dictates borrowing and investing limits based on an institution's credit rating and the nature of financial instruments that can be held Overall the Company's exposure to liquidity risk is not significant as the majority of the Company's exposure is due to other UK registered Group companies, and are subject to an intra-group netting agreement

The following tables show the maturity of the Company's liabilities as at 31 March 2011 and 2010

31 March 2011	Less than 3 months £'000	3 months to 1 year £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
Liabilities					
Other payables	71	-	-	-	71
Borrowings	-	-	120,399	-	120,399
Derivative financial instruments	-	-	-	-	-
Amounts owed to Group companies	442,017	-	516,558	-	958,575
	442,088	-	636,957	-	1,079,045

31 March 2010	Less than 3 months £'000	3 months to 1 year £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
Liabilities					
Other payables	2,164	-	-	-	2,164
Borrowings	-	-	-	127,233	127,233
Accruals	13,080	-	2,413	-	15,493
Derivative financial instruments	-	-	-	-	-
Amounts owed to Group companies	881,206	-	543,900	-	1,425,106
	896,450	-	546,313	127,233	1,569,996

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction As at 31 March 2011 there were no assets or liabilities whose carrying value was not a reasonable approximation of its fair value

3 KEY ACCOUNTING JUDGEMENTS

The Company makes various judgements in applying its accounting policies and various assumptions and estimates when determining the carrying value of certain assets and liabilities The estimates that had a significant impact on the Company's results and financial position are discussed below

The Company reviews its investments in subsidiaries, joint ventures and associates at least annually, or more frequently if circumstances suggest an impairment may have taken place The Company tests for impairment by comparing the carrying value of the investment with their value in use The calculation of value in use is based on discounted cash flows from financial budgets and requires the use of estimates and judgements in determining budgeted cashflows, discount rates and growth rates

4. ADMINISTRATIVE EXPENSES

Administrative expenses includes the following charges/(credits)	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Exchange adjustments	42	(755)
Management recharges receivable	-	(500)
Management recharges payable	5,828	5,060
Impairment of investment (note 10)	-	15,108
Impairment of intercompany loans	12,931	-
Exceptional items	-	4,360

During the year the intercompany balances totalling £12 9m relating to Garban-Intercapital America (No 1) Ltd (£3 4m) and Garban-Intercapital America (No 3) Ltd (£9 5m) were written off as irrecoverable and the companies concerned were dissolved

The prior year exceptional item charge relates to the cessation of trading in ICAP Equities Limited taken on 22 March 2010 The charge of £4 4million is made up of obligations for certain employee costs

Administrative expenses consist principally of costs, including the auditors' remuneration of £4,000 (2010 £4,000), which have been borne by other Group undertakings and charged to the Company by way of Group management recharges, or vice versa It is not practicable to analyse the components of these recharges

The Company had no employees during the current or prior years

5. OTHER INCOME AND EXPENSE

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Income		
Profit on disposal of investments (note 10)	-	779
Expense		
Loss on disposal of investments (note 10)	-	(248)

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011 (continued)

6. DIRECTORS' REMUNERATION

The directors received no remuneration in the current or prior year in respect of their services as directors of the Company

7. FINANCE INCOME

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Interest receivable and similar income		
Bank interest	133	90
Interest from Group companies	28,784	18,334
	28,917	18,424
Other finance income		
Fair value gains on derivative financial instruments	-	9,253
Exchange adjustments	6,728	-
Exchange gain on Group balances	1,070	14,285
Total finance income	36,715	41,962

8. FINANCE EXPENSE

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Interest payable and similar costs		
Interest payable on long-term loans	4,147	7,091
Interest to Group companies	15,276	12,320
	19,423	19,411
Other finance expense		
Exchange adjustment on deferred consideration	-	151
Unwinding of discounts on deferred consideration	404	1,391
Bank charges	-	129
	404	1,671
Total finance expense	19,827	21,082

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011 (continued)

9. TAXATION

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Current tax credit		
UK corporation tax		
- Current tax	524	(3,904)
- Overseas tax	-	12
	524	(3,892)
Prior year adjustment	-	(840)
	524	(4,732)

The Company's tax credit for the year differs from the UK statutory rate and can be reconciled as follows

	Year ended 31/3/2011 £'000	Year ended 31/3/2010 £'000
Profit/(loss) before taxation	34,956	6,710
UK corporation tax at the standard rate of 28%	9,788	1,879
Tax effect of income from investments	(10,295)	(2,416)
Non taxable income	-	(28)
Non deductible expenses	(17)	4,469
	(524)	3,904

10. INVESTMENTS IN SUBSIDIARIES

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
As at 1 April	665,869	771,547
Additions	4,300	-
Pre-acquisition dividend received	-	(11,944)
Additions from fellow Group companies	28,480	-
Liquidation of investments	(143,464)	-
Disposals to fellow Group companies	-	(65,911)
Net revaluations of deferred consideration	-	(12,715)
Impairment charge	-	(15,108)
As at 31 March	555,185	665,869

10. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

As part of an ongoing Group reorganisation, the Company entered into the following material transactions during the year

- Increased its investment in Exco International Ltd by £4m
- Purchased the entire ordinary share capital of Exco 1994 Ltd for £16 5m
- Purchased the entire share capital of ICAP investments Ltd for £11 9m This company was subsequently dissolved No gain or loss was recognised on this liquidation
- Members voluntary liquidation of Garban-Intercapital America (No 2) Ltd and Garban-Intercapital America (No 4) Ltd which had carrying values of £95 2m and £36 4m respectively No gain or loss was recognised on these liquidations

At 31 March 2011, the Company's principal subsidiary companies were as follows

*	Name	Country of Incorporation	Percentage held‡ (%)
	ICAP Equities Asia Limited	Hong Kong	100 00
	ICAP Scandinavia Fonsmaeglerselskab A/S	Denmark	100 00
	ICAP Australia Pty Limited	Australia	100 00
	ICAP AP (Singapore) Pte Limited	Singapore	100 00
	ICAP Currency Options Pte Ltd	Singapore	100 00
	ICAP (Hong Kong) Limited	Hong Kong	100 00
	ICAP New Zealand Limited	New Zealand	80 00
	FCB Harlow Butler (Pty) Limited	South Africa	51 00
	ICAP Philippines Inc	Philippines	100 00
	ICAP Securities Argentina SA	Argentina	96 46
	ICAP Capital Markets Canada Inc	Canada	100 00
	ICAP del Ecuador SA	Ecuador	100 00
	ICAP do Brasil Corretora De Titulose e Valores Mobiliarios Ltd	Brazil	99 99

‡ The percentage held represents the percentage of issued share capital held (all classes)

* The paid up share capital of these subsidiary companies is held by or on behalf of the Company The paid up share capital of all the other subsidiaries is held by or on behalf of subsidiaries

All subsidiaries are involved in voice or electronic broking or service activities relating to those businesses, have a 31 March year end other than ICAP do Brasil Corretora De Titulose e Valores Mobiliarios Ltd which has a 31 December year end Each subsidiary operates in their country of incorporation

During the year the Company received dividends from investments totalling £38 7m (2010 – £8 7m)

11. INVESTMENTS IN JOINT VENTURES

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
As at 1 April	405	382
Additions	-	23
As at 31 March	405	405

As at 31 March 2011, the Company has a 45% investment TFS-ICAP Holdings Limited, a voice and electronic broking company incorporated in England and Wales and a 12 25% investment in Tradition Financial Services GmbH, a voice and electronic broking company registered in Germany

12 INVESTMENTS IN ASSOCIATES

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
As at 1 April	2,177	-
Additions	-	2,177
As at 31 March	2,177	2,177

The Company has entered into a legal contract to purchase 25% of ICAP IEB Z Limited from external shareholders in return for a deferred consideration payment based on profits earned over the next 3 years The remaining 75% is owned by a fellow group company ICAP Electronic Broking Limited

13. OTHER RECEIVABLES

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Non-current		
Amount due from parent company	140,000	140,000
Amount due from subsidiary company	66,000	70,000
Amounts due from fellow Group companies	748,600	984,476
Amounts due from joint ventures	706	686
	955,306	1,195,162
Current		
Amount due from parent company	3,493	54,351
Amounts due from subsidiary companies	39,294	7,336
Amounts due from fellow Group companies	64,876	165,441
Other receivables	10,370	5,008
Group tax receivable	493	-
	118,526	232,136

Non-current
The amount due from parent company represents an unsecured loan of £140m on which interest is charged at 3 month LIBOR plus 2% The loan is repayable no earlier than March 2014

Amounts due from fellow Group companies include unsecured loans totalling £953 6m which fall due for repayment on or after a range of dates from September 2013 to March 2015 Interest is charged on these loans at 3 month LIBOR plus 2%

The amount due from subsidiary company is an unsecured, interest bearing loan bearing interest at 3 month LIBOR plus 2% and due for repayment on or after September 2014

The amount due from joint ventures represents a balance with Tradition Financial services GmbH which accrues interest at 4% is unsecured and due after more than one year

Current
Amounts due from Group companies include non-interest bearing and interest bearing loans, all of which are repayable on demand

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011 (continued)

14. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents include

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Cash at bank	54	665

15. OTHER PAYABLES

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Current		
Amounts due to subsidiaries	338,978	510,296
Amounts due to fellow Group companies	103,268	370,910
Other payables	71	2,164
Contingent deferred consideration	-	13,080
Group tax payable	-	3,904
	442,317	900,354
Non-current		
Amounts due to subsidiaries	118,400	118,400
Amounts due to fellow Group companies	395,500	425,500
Contingent deferred consideration	2,658	2,413
	516,558	546,313

Non-current
Amounts due to Group companies include loans totalling £513 9m which fall due for repayment on or after a range of dates from September 2013 to March 2015 Interest is payable on these loans at 3 month LIBOR plus 2%

Current
Amounts due to Group companies include non-interest bearing and interest bearing loans, all of which are repayable on demand

16. LONG TERM BORROWINGS

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Loan notes	120,399	127,233

On 28 June 2005, the Company issued US$225m of guaranteed subordinated loan notes repayable in 2015 The issue consisted of US$32m floating rate notes and a further US$193m of notes with a fixed coupon of 5 84% for the first five years and LIBOR plus 1 95% thereafter In June 2007 the Company redeemed the US$32m floating rate notes at par The fair value of the loan notes is not materially different from their book value

INTERCAPITAL LIMITED
Notes to the financial statements for the year ended 31 March 2011 (continued)

17. PROVISIONS

	2011 £'000	2010 £'000
As at 1 April	12,656	-
Recognised in the income statement	-	12,656
Settled in the year	(4,360)	-
Adjustment to deferred consideration	(3,169)	
As at 31 March	5,127	12,656

During the year the Company settled an opening provision of £4 4m relating to the prior year exceptional item and adjusted the provision relating to legal obligations by £3 1m The remaining provision for £5 1m relates to potential tax liabilities that may crystallise in the future

18. SHARE CAPITAL

	As at 31/3/2011 £'000	As at 31/3/2010 £'000
Allotted and fully paid		
2,104,706,940 Ordinary shares of 25p each	526,177	526,177
7,711,987 Preference shares of US$10 each	48,109	50,840
	574,286	577,017

The preference shares are a separate class of share with the right, in priority to any payment by way of dividend to the holders of any other class of shares of the Company, to receive a non-cumulative preferential dividend from profits available for distribution The preferential dividend is calculated in respect of each paid up preference share in issue on 31 March in each year at a rate equivalent to the average daily LIBOR rate for the US dollar for the year proceeding 31 March, plus 0 3%

On a return of capital on winding-up, the holders of the preference shares are entitled, in priority to any payment to the holders of any other class of shares of the Company, to the repayment of a sum equal to the nominal amount paid up on the preference shares held by them, together with a sum equal to all arrears of the preferential dividends which have been declared and become payable

Preference shareholders are entitled to vote on a resolution at a general meeting of the company, each holder present is entitled to one vote and on a poll, each holder present is entitled to one vote in respect of each fully-paid preference share registered in the holders name

19. GUARANTEES AND CONTINGENT LIABILITIES

As at 31 March 2011 the Company was party to the following guarantees and indemnities

(a) The Company guarantees in conjunction with ICAP United, Inc , a fellow subsidiary, the lease of office space for the group's USA operations At the date of execution, 10 November 2005, the value of the guarantees totalled US$943,159

(b) The Company has issued a letter of comfort for SGD10,000,000 regarding ICAP Financial Products Pte Limited and guaranteed the liquidity of ICAP AP (Singapore) Pte Ltd, both subsidiary companies, to the Monetary Authority of Singapore

(c) The Company has given a guarantee to HSBC Bank plc for US$5,000,000 for acting as the clearing agent of ICAP AP (Singapore) Pte Ltd

(d) The Company has guaranteed the excess credit exposure of ICAP Shipping Derivatives Limited to the value of £160,000

(e) The Company has guaranteed the lease on 2, Broadgate, London for a subsidiary company

20. RELATED PARTY TRANSACTIONS

Parent company
The Company's immediate and ultimate parent company is ICAP plc, which is incorporated in England and Wales and heads the smallest and largest group of companies of which the Company is a member ICAP plc prepares consolidated financial statements in accordance with IFRS and copies can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR

Related party transactions
All UK registered Group companies are party to a netting agreement There were no related party transactions or balances during the years ended 31 March 2011 and 31 March 2010 other than disclosed in the above notes