

RBB ECONOMICS LLP

Report and Financial Statements

Year ended 31 March 2013

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RBB ECONOMICS LLP

REPORT AND FINANCIAL STATEMENTS 2013

CONTENTS	Page
Members and professional advisors	1
Members' report	2
Independent auditor's report	4
Consolidated profit and loss account	6
Consolidated balance sheet	7
LLP balance sheet	8
Consolidated cash flow statement	9
Notes to the financial statements	10

RBB ECONOMICS LLP

REPORT AND FINANCIAL STATEMENTS 2013

MEMBERS AND PROFESSIONAL ADVISORS

MEMBERS

S R Baker (designated member)
D J Ridyard (designated member)
S L Bishop (designated member)
A Lofaro
A Majumdar (designated member)
A Tyler
M Visser
F Rosati
B Durand
P J Van Der Veer
B Ignjatovic
D Gore
R Murgatroyd
S Lewis (appointed 1 April 2012)
P Smith (appointed 28 March 2013)

REGISTERED OFFICE

The Connection
198 High Holborn
London
WC1V 7BD

BANKERS

The Royal Bank of Scotland Plc
127-128 High Holborn
London
WC1V 6PQ

SOLICITORS

Stevens & Bolton LLP
The Billings
Guildford
Surrey
GU1 4YD

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge

RBB ECONOMICS LLP

MEMBERS' REPORT

The members are pleased to present their annual report and the audited financial statements of the Group for the year ended 31 March 2013

GROUP STRUCTURE

RBB Economics LLP (the 'LLP') is incorporated as a Limited Liability Partnership under the Limited Liability Partnerships Act 2000

The financial statements consolidate the accounts of RBB Economics LLP and its subsidiary undertakings RBB Belgium NV and RBB Netherlands BV (the 'Group') drawn up to 31 March 2013

The accounts of RBB Economics LLP incorporate the results of the South African and Australian branches

PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was the provision of economic consultancy services

REVIEW OF DEVELOPMENTS

The trading results for the year ended 31 March 2013, and the LLP's financial position at the end of the year, are shown in the attached financial statements

DESIGNATED MEMBERS

The designated members who served during the year are set out in detail on page 1

TRANSACTIONS WITH MEMBERS

The members' policy on drawings is dependent upon the working capital requirements of the firm. A conservative level of monthly drawings is set at the start of the period and further distributions are made once the results for the period have been finalised.

The balance of profits due to members is paid out once the accounts for the year ended 31 March 2013 are signed, again subject to working capital requirements.

MEMBERS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnership (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the firm will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RBB ECONOMICS LLP

MEMBERS' REPORT

AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Members' Meeting


S L Bishop

Approved by the Members

10 October 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBB ECONOMICS LLP

We have audited the financial statements of RBB Economics LLP for the year ended 31 March 2013 which comprise the consolidated profit and loss account, the consolidated and parent LLP balance sheets, the consolidated cash flow statement and the related notes 1 to 20. 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 LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applicable to limited liability partnerships. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group and the parent LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

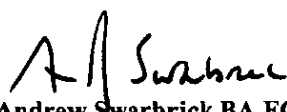
- give a true and fair view of the state of the group's and the parent LLP's affairs as at 31 March 2013 and of the group's profits for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applicable to limited liability partnerships

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RBB ECONOMICS LLP (continued)

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 as applicable to limited liability partnerships requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent LLP financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



Andrew Swarbrick BA FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Cambridge, United Kingdom

11 October 2012

RBB ECONOMICS LLP

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 31 March 2013

	Note	2013 £	2012 £
TURNOVER	2	23,265,549	21,815,475
Depreciation		(71,471)	(126,896)
Staff costs	5	(4,578,014)	(4,675,986)
Other operating charges		<u>(2,941,195)</u>	<u>(2,481,983)</u>
OPERATING PROFIT	3	15,674,869	14,530,610
Net interest receivable	6	<u>2,928</u>	<u>1,302</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		15,677,797	14,531,912
Taxation	4	<u>(39,828)</u>	<u>(324,816)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	15,637,969	14,207,096
Profit retained in subsidiaries		<u>(206,033)</u>	<u>(296,075)</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		15,431,936	13,911,021
Members' remuneration charged as an expense		<u>(15,431,936)</u>	<u>(13,911,021)</u>
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>-</u>	<u>-</u>

All results relate to continuing activities

There have been no recognised gains and losses other than the profit for the year and preceding year, accordingly no statement of total recognised gains and losses is presented

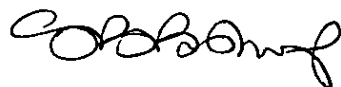
RBB ECONOMICS LLP

CONSOLIDATED BALANCE SHEET 31 March 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	<u>140,998</u>	<u>162,460</u>
CURRENT ASSETS			
Debtors	11	10,891,759	11,550,588
Cash at bank and in hand		<u>5,080,869</u>	<u>2,758,068</u>
		15,972,628	14,308,656
CREDITORS: amounts falling due within one year	12	<u>(3,040,773)</u>	<u>(2,695,083)</u>
NET CURRENT ASSETS		<u>12,932,855</u>	<u>11,613,573</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>13,072,853</u>	<u>11,776,033</u>
REPRESENTED BY:			
Loans and other debts due to members within one year:			
Members' capital classified as a liability under FRS 25	13	39	46
Other amounts	13	<u>13,072,814</u>	<u>11,775,987</u>
TOTAL MEMBERS' INTERESTS		<u>13,072,853</u>	<u>11,776,033</u>

These financial statements of RBB Economics LLP, registered number OC315356, were approved and authorised for issue by the Members on 10th October 2013

Signed on behalf of the Members



S L Bishop

Designated Member

RBB ECONOMICS LLP

LLP BALANCE SHEET

31 March 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	118,720	135,344
Investments	10	163,646	163,646
		<u>282,366</u>	<u>298,990</u>
CURRENT ASSETS			
Debtors	11	12,241,772	13,606,498
Cash at bank and in hand		4,555,061	2,101,374
		<u>16,796,833</u>	<u>15,707,872</u>
CREDITORS: amounts falling due within one year	12	<u>(9,870,104)</u>	<u>(8,998,602)</u>
NET CURRENT ASSETS		<u>6,926,729</u>	<u>6,709,270</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>7,209,095</u>	<u>7,008,260</u>
REPRESENTED BY			
Loans and other debts due to members within one year:			
Members' capital classified as a liability under FRS 25	13	39	46
Other amounts	13	7,209,056	7,008,214
TOTAL MEMBERS' INTERESTS		<u>7,209,095</u>	<u>7,008,260</u>

These financial statements of RBB Economics LLP, registered number OC315356, were approved and authorised for issue by the Members on 10th October 2013

Signed on behalf of the Members


S L Bishop

Designated Member

RBB ECONOMICS LLP

CONSOLIDATED CASH FLOW STATEMENT **Year ended 31 March 2013**

	Note	2013 £	2012 £
Net cash inflow from operating activities	14	16,653,572	10,630,497
Returns on investments and servicing of finance	15	2,928	1,302
Taxation	15	(182,823)	(216,006)
Capital expenditure and financial investment	15	(51,222)	(47,088)
Transactions with members	15	<u>(14,099,654)</u>	<u>(10,768,944)</u>
(Decrease) / increase in cash	16,17	<u>2,322,801</u>	<u>(400,239)</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice, Accounting by Limited Liability Partnerships (issued March 2010). The particular accounting policies are outlined below

Accounting convention

The financial statements are prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the limited liability partnership and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisitions method and goodwill on consolidation is capitalised. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent entity is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006, (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008)

Going concern

The group and LLP's forecasts and projections, taking account of a range of changes in trading performance, show that the group and LLP will continue to operate with positive cash balances. As a consequence, the members believe that the group and LLP have sufficient financial resources and are well placed to manage their business risks despite the current uncertain economic outlook.

Therefore, the members have a reasonable expectation that the group and LLP have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Taxation

Members are personally liable for taxation on their share of the profits of the limited liability partnership. Consequently no reserve for taxation is made in the financial statements in respect of members' tax liabilities, and the profits are shown within Members' Interests or as 'Loans and other debts due to members' without any deduction for tax.

The consolidated accounts incorporate the tax position of the underlying subsidiaries and overseas branches, which are subject to corporation tax due to their company status or location. The accounting policy applied in the recognition of this tax position in the consolidated accounts is detailed below.

Current tax, comprising UK and overseas corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets

Fixed assets are stated at historical cost less depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Fixtures and fittings	20% straight line
Computer equipment	20% straight line
Motor vehicles	20% straight line

Investments

Fixed asset investments are stated at cost less provision for impairment

Leased assets

Rental costs under operating leases are charged to the profit and loss account in equal annual instalments over the periods of the leases

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Translation differences arising are dealt with in the profit and loss account

Amounts recoverable under contracts

Services provided to clients during the years, which at the balance sheet date have not been billed to clients, have been recognised as turnover in accordance with Financial Reporting Standard 5 'Reporting the substance of transactions. Application Note G Revenue Recognition'. Turnover recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payment is contingent on factors outside the control of the firm

Members' remuneration

Remuneration paid to members under employment contracts, any other non-discretionary amounts payable to members and any automatic divisions of profit are recognised as an expense in the profit and loss account as incurred, under the heading 'Members' remuneration charged as an expense'

A division of profits that is discretionary on the part of the LLP is recognised as an appropriation of equity when the division occurs

Financial liabilities and equity

Members' capital and other amounts due to members have been classified as a financial liability

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

2. TURNOVER

Turnover represents fee income earned from the provision of economic consultancy services, and is stated net of Value Added Tax

	2013 %	2012 %
Geographical analysis of turnover by destination		
United Kingdom	44	21
Rest of Europe	42	47
Rest of World	14	32
	<u>100</u>	<u>100</u>

3. OPERATING PROFIT

	2013 £	2012 £
Operating profit is after charging.		
Depreciation		
Owned assets	71,471	126,897
Rentals under operating leases		
Other operating leases	464,154	409,510
Auditor's remuneration	27,000	24,000
	<u>562,625</u>	<u>560,407</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge which arises in the corporate entities included within these financial statements is

	2013 £	2012 £
Current taxation		
Overseas corporation tax	39,828	324,816
Tax charge on profit on ordinary activities	<u>39,828</u>	<u>324,816</u>

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 24% (2012 - 26%) The actual tax charge for the current and previous year differs from the standard rate for the reasons set out in the following reconciliation

	2013 £	2012 £
Reconciliation of current tax		
Profit on ordinary activities of corporate entities before tax	15,677,797	14,531,912
Tax on profit on ordinary activities at standard rate	3,762,671	3,778,297
Factors affecting charge for the year		
Amounts subject to self-assessment	(2,705,304)	(2,774,565)
Amounts taxed at different rates of taxation overseas	(1,017,539)	(678,916)
Total actual amount of current tax	<u>39,828</u>	<u>324,816</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

4. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

In March 2012, the UK Government announced a reduction in the standard rate of UK corporation tax to 24% effective 1 April 2012 and to 23% effective 1 April 2013. These rate reductions became substantively enacted in March 2012 and July 2012 respectively.

In December 2012, the UK Government also proposed to further reduce the standard rate of UK corporation tax to 21% effective 1 April 2014, but this change has not been substantively enacted.

In March 2013, the UK Government also proposed to further reduce the standard rate of UK corporation tax to 20% effective 1 April 2015, but this change has not been substantively enacted.

5. STAFF COSTS

	2013 No.	2012 No.
Average number of persons employed (excluding members) during the year:		
Consultants	41	41
Support staff	10	10
	<u>51</u>	<u>51</u>
	£	£
Employee costs during the year amounted to:		
Wages and salaries	4,213,968	4,323,669
Social security costs	364,046	352,317
	<u>4,578,014</u>	<u>4,675,986</u>

6. NET INTEREST RECEIVABLE

	2013 £	2012 £
Bank interest receivable	3,143	1,825
Bank interest payable	(215)	(523)
	<u>2,928</u>	<u>1,302</u>

7. MEMBERS' SHARE OF PROFITS

Profits are shared among the members in accordance with agreed profit sharing arrangements. Members are required to make their own provision for pensions and tax from their profit shares.

	2013 £	2012 £
Average number of members during the year	<u>14</u>	<u>13</u>

Profit attributable to the member with the largest entitlement to profit was £3,740,598 (2012 - £3,633,268)

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

8. TANGIBLE FIXED ASSETS

Group	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2012	24,505	369,589	450,957	845,051
Foreign exchange	(3,038)	(1,722)	(3,820)	(8,580)
Additions	-	770	56,518	57,288
Disposals	(10,762)	-	-	(10,762)
At 31 March 2013	10,705	368,637	503,655	882,997
Accumulated depreciation				
At 1 April 2012	13,273	347,509	321,809	682,591
Foreign exchange	(1,857)	(419)	(2,254)	(4,530)
Charge for the year	3,968	12,657	54,846	71,471
Disposals	(7,533)	-	-	(7,533)
At 31 March 2013	7,851	359,747	374,401	742,001
Net book value				
At 31 March 2013	2,854	8,890	129,254	140,998
At 31 March 2012	11,232	22,080	129,148	162,460

LLP

	Motor Vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2012	24,505	256,300	383,528	664,333
Foreign exchange	(3,038)	(3,018)	(4,591)	(10,647)
Additions	-	770	53,705	54,475
Disposals	(10,762)	-	-	(10,762)
At 31 March 2013	10,705	254,052	432,644	697,399
Accumulated depreciation				
At 1 April 2012	13,273	235,946	279,770	528,989
Foreign exchange	(1,857)	(1,750)	(2,971)	(6,578)
Charge for the year	3,968	11,200	48,633	63,801
Disposals	(7,533)	-	-	(7,533)
At 31 March 2013	7,851	245,396	325,432	578,679
Net book value				
At 31 March 2013	2,854	8,656	107,212	118,720
At 31 March 2012	11,232	20,354	103,758	135,344

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

9. PROFIT ATTRIBUTABLE TO THE LLP

The profit for the financial year dealt with in the financial statements of the parent LLP was £11,272,271 (2012 - £10,440,500) No separate profit and loss account is presented in respect of the parent LLP

10. INVESTMENTS

LLP

Subsidiary undertakings

	£
Cost	
At 31 March 2013 and 31 March 2012	163,646

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
RBB Belgium NV	Belgium	Ordinary	100
RBB Netherlands BV	Holland	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit for the year £
RBB Belgium NV	1,315,360	141,865
RBB Netherlands BV	1,100,388	64,168

The capital and reserves and profit for the year shown above is information extracted from financial statements of those entities for the year ended 31 March 2012

11. DEBTORS

	Group		LLP	
	2013 £	2012 £	2013 £	2012 £
Due within one year				
Trade debtors	7,452,574	6,983,063	7,287,292	6,891,820
Amounts recoverable under contracts	2,519,714	3,635,092	2,398,501	3,563,481
Amounts due from related undertakings	-	-	1,804,194	2,395,836
Other debtors	150,791	225,592	113,360	150,094
Prepayments	768,680	706,841	638,425	605,267
	<u>10,891,759</u>	<u>11,550,588</u>	<u>12,241,772</u>	<u>13,606,498</u>

Prepayments includes amounts due after more than one year of £40,000 (2012 - £196,395)

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

12. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		LLP	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	474,837	534,168	367,796	424,785
Amounts due to related undertakings	-	-	7,556,511	6,773,083
Overseas corporation tax payable	-	110,937	-	73,472
Taxation and social security	1,454,679	1,240,872	1,247,014	1,177,791
Accruals	1,111,257	809,106	698,783	549,471
	<u>3,040,773</u>	<u>2,695,083</u>	<u>9,870,104</u>	<u>8,998,602</u>

13. TOTAL MEMBERS' INTERESTS

Group	Loans and other debts due to members within one year		
	Members' capital	Other amounts	Total
	£	£	£
At 1 April 2012	46	11,775,987	11,776,033
Profit for the year divided among members	-	15,637,969	15,637,969
Distributions to members	-	(14,099,647)	(14,099,647)
Foreign exchange effects	-	(241,495)	(241,495)
Capital introduced by members	3	-	3
Capital paid out to members	(10)	-	(10)
	<u>39</u>	<u>13,072,814</u>	<u>13,072,853</u>
At 31 March 2013			

LLP	Loans and other debts due to members within one year		
	Members' capital	Other amounts	Total
	£	£	£
At 1 April 2012	46	7,008,214	7,008,260
Profit for the year divided among members	-	11,322,237	11,322,237
Distributions to members	-	(10,976,322)	(10,976,322)
Foreign exchange effects	-	(145,073)	(145,073)
Capital introduced by members	3	-	3
Capital paid out to members	(10)	-	(10)
	<u>39</u>	<u>7,209,056</u>	<u>7,209,095</u>
At 31 March 2013			

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

14. NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	15,674,869	14,530,610
Depreciation	71,471	126,897
(Gain)/Loss on disposal of fixed assets	(2,838)	805
Foreign exchange effects	(237,442)	(23,008)
(Decrease) increase in debtors	690,885	(3,715,735)
(Increase) decrease in creditors	456,627	(289,072)
Net cash inflow from operating activities	<u>16,653,572</u>	<u>10,630,497</u>

15. ANALYSIS OF CASH FLOWS

	2013 £	2012 £
Returns on investments and services of finance		
Interest received	3,143	1,825
Interest paid	(215)	(523)
	<u>2,928</u>	<u>1,302</u>
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(57,288)	(47,459)
Proceeds from the disposal of tangible fixed assets	6,066	371
	<u>(51,222)</u>	<u>(47,088)</u>
Taxation		
Corporate taxes	(182,823)	(216,006)
Transaction with members		
Payments to members	(14,099,647)	(10,768,947)
Capital introduced by members	3	3
Capital paid out to members	(10)	-
	<u>(14,099,654)</u>	<u>(10,768,944)</u>

16. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2012 £	Cash flow £	At 31 March 2013 £
Cash at bank and in hand	<u>2,758,068</u>	<u>2,322,801</u>	<u>5,080,869</u>

RBB ECONOMICS LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

17. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2013 £	2012 £
(Decrease) / increase in cash in the year	2,322,801	(400,239)
Net funds at 1 April	2,758,068	3,158,307
Net funds at 31 March	<u>5,080,869</u>	<u>2,758,068</u>

18. OBLIGATIONS UNDER OPERATING LEASES

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2013 £	2012 £
Leases which expire		
Less than 1 year	285,628	24,621
Between 1-5 years	187,049	374,587
After 5 years	-	3,914

19. TRANSACTIONS WITH RELATED PARTIES

The group has relied upon the exemption in Financial Reporting standard 8 "Related party disclosures" not to disclose transactions between itself and its subsidiary undertakings

20. CONTROLLING PARTY

In the opinion of the members there is no controlling party as defined by Financial Reporting Standard 8 "Related party disclosures"