BARRATT
DEVELOPMENTS PLC

6 September 2017

Barratt Developments PLC
Annual Results Announcement for the year ended 30 June 2017

Another year of strong performance

£m unless otherwise stated[1,2]	Year ended 30 June 2017	Year ended 30 June 2016	Change
Total completions (plots)[3]	17,395	17,319	0.4%
Revenue (£m)	4,650.2	4,235.2	9.8%
Gross margin (%)	20.0	18.9	1.1 ppts
Profit from operations (£m)	799.2	668.4	19.6%
Operating margin (%)	17.2	15.8	1.4 ppts
Profit before tax (£m)	765.1	682.3	12.1%
Basic earnings per share (pence)	61.3	55.1	11.3%
ROCE (%)	29.8	27.1	2.7 ppts
Tangible net assets per share (pence)	340	311	9.3%
Net cash (£m)	723.7	592.0	22.2%

Highlights

- The UK's largest housebuilder, delivering our highest volumes in nine years

- Commitment to build quality and customer service demonstrated by the achievement of more NHBC Pride in the Job Awards than any other housebuilder for the 13th consecutive year and the award of the Home Builders Federation maximum five star customer satisfaction rating for the eighth consecutive year

- Strong growth in profit before tax, up by 12.1% to £765.1m

- Delivered our 20% gross margin and 25% ROCE targets with continued focus on further margin improvement

- 39.0% increase in final ordinary dividend per share to 17.1p (2016: 12.3p) together with 17.3p special dividend per share

Current trading

- Forward sales (including JV's) up 13.8%, as at 3 September 2017 at £2,749.9m (4 September 2016: £2,416.5m)

- Net private reservations per active outlet per average week from 1 July were in line with the prior year at 0.74 (FY17: 0.75)

Commenting on the results David Thomas, Chief Executive of Barratt Developments PLC said:

"This has been another excellent year for the Group. We have delivered a strong operational and financial performance and our highest completion volumes for nine years. We are committed to increasing the supply of new homes as the UK's largest housebuilder and we remain industry leading in terms of quality and customer service.

The Group starts the new financial year in a good position with a strong balance sheet, healthy forward sales and we continue to see robust consumer demand supported by a positive mortgage environment. We are focused on driving further operational improvements through the business with a particular focus on margin improvement."

[1] Refer to Glossary for definition of key financial metrics.

[2] Unless otherwise stated, all numbers quoted exclude joint ventures ('JV').

[3] Includes JV completions.

Certain statements in this document may be forward looking statements. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results to differ materially from those expressed or implied by those statements. Forward looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Accordingly undue reliance should not be placed on forward looking statements.

There will be an analyst and investor meeting at 9.00am today at Deutsche Bank, 1 Great Winchester Street, London, EC2N 2DB. The presentation will be broadcast live on the Barratt Developments corporate website, www.barrattdevelopments.co.uk, from 9.00am today. A playback facility will be available shortly after the presentation has finished.

A listen only function will also be available.

Dial in: 0800 279 7204

International dial in: +44 (0) 330 336 9411

Access code: 6162686

Further copies of this announcement can be downloaded from the Barratt Development PLC corporate website www.barrattdevelopments.co.uk or by request from the Company Secretary's office at: Barratt Developments PLC, Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF.

For further information please contact:

Barratt Developments PLC	
Jessica White, Chief Financial Officer	01530 278 259
Analyst/investor enquiries	
Chloé Barnes, Investor Relations	020 7299 4895
Media enquiries	
Tim Collins, Head of Corporate Communications	020 7299 4874
Brunswick	
Jonathan Glass/Wendel Verbeek	020 7404 5959

Chairman's statement

This has been another excellent year for the Group across all key operational and financial performance metrics. We achieved record profits, completion volumes were at their highest level for nine years and we remain industry leading in terms of quality and customer service.

We have delivered our FY17 financial targets of 20% gross margin and 25% ROCE, and we are committed to further progress. Improving our profit margin remains a priority for the Group and we have a number of initiatives underway to further increase efficiency, reduce costs and simplify our business.

We remain the largest housebuilder in the UK, delivering 17,395 homes in the year reflecting the strength of our housebuilding operations.

Our sites were awarded 74 NHBC Pride in the Job Awards for site management this year, more than any other housebuilder for the 13th year in a row. We were also awarded the Home Builders Federation maximum five star rating for the eighth consecutive year – the only major housebuilder with this record. We have now won 56 Built for Life accreditations for excellence in the design of homes and neighbourhoods, more than all the other housebuilders combined.

These are significant achievements and are testament to our continuing focus on leading the future of housebuilding by putting customers first and at the heart of everything we do.

Political and economic environment

Whilst the General Election in June 2017 created some uncertainty, Government support for housebuilding and a commitment to tackle the country's housing shortage remain. The Government's Housing White Paper published in February contained many positive measures, particularly those aimed at speeding up the planning system and bringing forward more land for new homes. Following the outcome of the EU referendum, the Board continues to monitor carefully the potential impacts of the vote to leave the EU on our business.

Market conditions remain good with a wide availability of attractive mortgage finance, which, alongside Help to Buy, continues to support robust consumer demand. The Group is in a strong position, with a substantial year end net cash balance, healthy forward sales position and an experienced management team.

Consequently, we remain confident in the strong fundamentals of the housing sector and our business.

Our employees

The outstanding progress made during the year would not have been possible without the capability and dedication of our Senior Management team and employees whom I would like to thank on behalf of the Board. We ensure that we reward all of our employees appropriately so that we can recruit and retain the best people whilst motivating them to continue to perform year on year.

Corporate Governance

Underpinning any successful Company, is good corporate governance. Corporate governance is the basis of good management practice and we place it at the heart of everything we do. It is embedded in our policies, procedures and processes throughout our business from Board level to our divisional operations.

Last year the Government published a Green Paper on Corporate Governance. The Financial Reporting Council (FRC) announced a fundamental review of the UK Corporate Governance Code to take into account their work done around corporate culture and succession planning. The review will also take account of the issues raised in the Government's Green Paper and the BEIS Select Committee inquiry.

We have begun to explore the various proposals in the Green Paper and the FRC review with our advisors. We have already taken steps to establish a forum at which employee representatives from across the business will have the opportunity to express the views of the workforce on key topics such as culture, diversity, training and remuneration. This will ensure that best practice is embedded in our business and that we can effectively respond to, and implement, any changes that may be required as new regulation or legislation is introduced.

We will continue to ensure that good corporate governance remains embedded within the culture and values of the business as a whole whilst adapting our policies, processes and procedures in light of any changes proposed by the Government and the FRC. Through the Nomination Committee, we will ensure that we continue to have robust succession planning in place for both Board members and Senior Management.

We continue to cooperate fully with the Metropolitan Police on the ongoing investigation we instigated regarding possible misconduct in the London business. As stated in October 2016, Barratt does not anticipate any material adverse financial effect and our London business is operating well.

Appointments and succession
A number of Board changes took place during the year.

After eight years of service, Mark Rolfe stood down from the Board after the 2016 AGM. Jock Lennox, who had joined the Board on 1 July 2016, took over as Audit Committee Chairman. In addition, Richard Akers was appointed as Senior Independent Director with effect from the conclusion of the 2016 AGM.

As announced on 19 January 2017, Neil Cooper, previously Chief Financial Officer, left the Board by mutual agreement. From that date, David Thomas performed the dual roles of Chief Executive and Chief Financial Officer. In order to maintain a stable governance framework, the Board ensured that David had sufficient support from members of the Senior Management team and from members of the Board to enable him to undertake his day to day duties under both roles.

On 22 June 2017, we were pleased to announce the appointment of Jessica White as Chief Financial Officer. Jessica was previously Group Financial Controller and is therefore very familiar with the way in which the Group operates.

Delivering returns for our shareholders
In line with the improved Capital Return Plan announced in February 2017, and given the strong financial performance of the Group, the Board is pleased to propose a final dividend of 17.1 pence per share (2016: 12.3 pence per share) and a special dividend of £175.0m (17.3 pence per share), both of which, subject to shareholder approval, will be paid in November 2017. The total proposed dividend for FY17, including the interim dividend of 7.3 pence per share paid in May 2017, is therefore 41.7 pence per share (2016: 30.7 pence per share).

Conclusion
I believe that you have a strong and experienced Board dedicated to managing your Company efficiently with a great focus on achieving long term sustainable value. The Board continues to have the right balance of skills, experience and knowledge to deliver the strategy of the Group during FY18. We remain, as ever, cognisant of the need for continued assessment of the Board and will keep under review the effectiveness, time commitment and tenure of each of our Directors.

I, on behalf of the Board, would like to thank you for your continued support and look forward to seeing many of you at our AGM on 15 November 2017.

John Allan
Chairman

5 September 2017

Chief Executive's statement

Our results

We have traded strongly throughout the financial year, delivering a record profit before tax of £765.1m, up 12.1% on the prior year (2016: £682.3m). We achieved our targets set in September 2014 of 20% gross margin and 25% ROCE, with 2017 gross margin at 20.0% (2016: 18.9%) and our highest ROCE in 12 years at 29.8% (2016: 27.1%).

We have also continued to strengthen our Balance Sheet, ending the year with net cash of £723.7m (2016: £592.0m) and with net tangible assets of £3,430.0m (2016: £3,118.0m).

	Housebuilding	Commercial	**Total**
Total completions including JV's (plots)	17,395	–	**17,395**
Revenue (£m)	4,589.1	61.1	**4,650.2**
Gross margin (%)	20.2%	7.9%	**20.0%**
Profit from operations (£m)	797.8	1.4	**799.2**
Operating margin (%)	17.4%	2.3%	**17.2%**
Share of post-tax profit/(loss) from joint ventures and associates (£m)	26.5	(0.9)	**25.6**

Our businesses

Our improved financial results have been driven by a strong and disciplined operational performance in both our housebuilding and commercial developments businesses.

Housebuilding

Housebuilding results

The business performed well throughout the financial year and delivered against both its financial and operational targets. Market conditions remain supportive, with attractive mortgage financing and the support of Help to Buy driving strong consumer demand.

We are the UK's largest housebuilder with total completions at 17,395 units including JV's (2016: 17,319). Private completions increased by 0.8% to 13,303 (2016: 13,198), affordable completions were 3,342 (2016: 2,707), and JV completions in which the Group had an interest were 750 (2016: 1,414).

We continue to increase the proportion of higher margin land completions which accounted for 92% (2016: 86%) of the total in the year and to trade through our legacy assets which has also contributed to the improvement in our gross margin.

Total average selling price ('ASP') on completions in the year increased by 6.0% to £275.2k (2016: £259.7k), with private ASP increasing by 8.0% to £313.1k (2016: £289.8k) benefiting from mix changes and underlying house price inflation. Completions in our London business were in line with expectations and weighted to the second half, consistent with planned site build programmes, resulting in a higher ASP in the second half of FY17.

Our FY17 sales rate was 0.72 (2016: 0.69) net private reservations per active outlet per week in the full year and 0.76 (2016: 0.72) in the second half. During the year, we operated from an average of 377 active outlets including JV's (2016: 378).

Our share of profits from JV's and associates in the year for the housebuilding business decreased to £26.5m (2016: £72.4m), reflecting planned site build programmes and some headwinds in the central London market.

As at 30 June 2017 we were selling from 11 (2016: 11) JV outlets. In FY18 we expect to deliver around 750 joint venture completions and our share of profits from JV's to be around £25m.

Committed to building more high quality homes

We are dedicated to playing our part in addressing the UK's housing shortage, whilst maintaining our quality standards, and designing developments, which look great, are a pleasure to live on, and will enhance local communities for years to come.

We lead the industry in the high quality of our homes and our customer service. That quality is recognised through the NHBC Pride in the Job Awards for site management where we have achieved more awards than any other housebuilder for the 13th consecutive year. We are also the only major housebuilder to be rated five star by our customers in the HBF customer satisfaction survey for eight consecutive years.

We are committed to investing in the future of housebuilding. We continue to offer a range of graduate, apprentice and trainee programmes and are one of the largest employers of apprentices in the industry. In addition, we have successfully trialled a programme to recruit and train ex-forces personnel in site management. We also continue to develop, trial and implement modern methods of construction which can help address industry-wide skills challenges and support future growth.

The key dimensions underpinning delivery of our strategy

In addition to the generally favourable market conditions during the year, the increase in our housebuilding profitability has benefited from our successful land investment strategy and from improvements in operating margin.

Land and planning

A key factor in the growth of our housebuilding business in recent years has been our land investment strategy, which has boosted absolute profit and led to increased completion volumes. The land market remained attractive throughout the financial year and we secured excellent opportunities that exceeded our minimum hurdle rates of 20% gross margin and 25% site ROCE. In the period, we approved the purchase of £957.2m (2016: £1,095.6m) of land, equating 18,497 plots (2016: 24,387 plots). We expect to approve the purchase of over 20,000 plots in FY18.

We continue to target a regionally balanced land portfolio with a supply of owned land of c. 3.5 years and a further c. 1.0 year of controlled land. Our target for a shorter than sector average land bank reflects our focus on ROCE and our fast build and sell model. At 30 June 2017 we achieved this target with a 4.5 years land supply comprising 3.5 years owned land and 1.0 years controlled land, with the owned land bank including land with both outline and detailed planning consents. At 30 June 2017, the ASP of plots in our owned land bank was £265k.

On strategic land we are making good progress and in FY17 we have achieved our mid-term target of delivering 25% of completions from strategic land. We target continued growth in the participation of strategically sourced land in the medium term, which will support future margin growth.

Following our success with planning over the past 12 months we are very well positioned, with all of our expected FY18 completions (2016: 99.7% of FY17 completions) having outline or full planning consent.

Improving efficiency and reducing costs

Improving the efficiency of our operations and controlling costs continues to be a high priority for the Group, as it will further enhance our margin.

In 2016, the Group undertook a fundamental review of its Barratt and David Wilson housing ranges. The outcome was a reduction in the number of houses in the range which will increase standardisation, simplify construction and reduce build costs whilst maintaining our high standards of design and build quality. There are currently 132 sites with c. 19,000 plots where we will be using the new ranges, of which 51 sites are already under construction.

We have also focused on improving margins through further standardisation of our layouts, stopping the advance sale of show homes and through business process simplification.

We have a robust and carefully managed supply chain with 90% of the housebuild materials sourced by our centralised procurement function manufactured or assembled in the UK. The cost of c. 75% of our centrally procured materials is now fixed until the end of FY18.

On labour, whilst we continue to see some pressure on skilled labour supply with shortages remaining location and trade specific, the rate of cost increase has eased. We are also seeking to increase construction efficiency and reduce demand on labour through implementing the new housetype ranges which are easier to build and through the use of alternative build options such as timber frames, large format block and light gauge steel frames.

We continue to expect that overall build cost inflation for FY18 will be c. 3-4%. We carefully control our administrative cost base and expect administrative expenses to be around £150m for FY18 (2017: £132.8m).

Commercial developments

Wilson Bowden Developments (‘WBD’) is our commercial development division.

During the year, WBD completed a new logistics hub and a freehold sale. WBD are currently developing a logistics warehouse and an office and warehouse facility. We have also continued to make progress in leasing our retail schemes at Hinckley, and have completed its investment sale.

Commercial development revenue was £61.1m (2016: £81.9m) with an operating profit before adjusting items of £10.2m (2016: £6.0m). After charging an £8.8m provision against a legacy commercial asset, we recognised an operating profit of £1.4m (2016: £6.0m).

Health and safety

The health and safety of our people, contractors, customers and the general public is the Group's number one priority.

Increased activity levels across the industry in terms of site openings and production volumes combined with shortages of skilled staff has contributed to an increased risk of accidents on sites. We remain fully committed to the highest standards of health and safety on our sites. In the year, our reportable injury incidence rate has decreased slightly with 379 (2016: 385) reportable incidents per 100,000 employees.

The tragic events at Grenfell Tower in London illustrate why health and safety must always remain the first priority for the building industry. Fire safety is core to the way we plan and build our developments. Following the fire at Grenfell Tower, we conducted a review of our sites and continue to ensure we are maintaining the highest standards of building safety.

Delivery of our strategic objectives

We delivered on our financial targets, set in September 2014, of a minimum ROCE of 25% and a 20% gross margin for FY17 and we are focused on making further progress. With our improved Capital Return Plan, announced with our interim results in February 2017, we continue to deliver attractive cash returns.

Our key financial metrics

Our housebuilding business achieved a gross margin of 20.2% (2016: 19.1%) up 1.1 ppts and an operating margin of 17.4% (2016: 15.9%) up 1.5 ppts reflecting the improvements we have driven through the business, notwithstanding that the high-end London market presents some headwinds in this regard. The Group delivered a gross margin of 20.0% (2016: 18.9%) and an operating margin of 17.2% (2016: 15.8%) up 1.4 ppts on the prior year.

We have achieved our ROCE target with ROCE increasing by 2.7 ppts to 29.8% (2016: 27.1%). Contributing to this growth has been our increased operating profitability, use of land creditors and the disposal of our legacy shared equity interests. It remains a core part of our strategy to drive ROCE performance further, in line with our fast build and sell model.

Maintaining an appropriate capital structure

As at 30 June 2017, the Group had a net cash balance of £723.7m (2016: £592.0m), ahead of expectations, driven by strong performance and the timing of land and working capital payments. We expect to have low levels of average net debt throughout the year and FY18 year-end net cash to be around £500m.

We seek to defer payment for land purchases where possible to drive a higher ROCE, and land creditors as at 30 June 2017 were 37% of the owned land bank (30 June 2016: 38%). We continue to secure attractive deferred payment terms on land and expect land creditors as a proportion of the owned land bank to reduce slightly and be around 30-35% at 30 June 2018, in line with our operating framework.

The Group continues to maintain an appropriate financial structure with shareholders' funds and land creditors funding the longer term requirements of the business and with term loans and bank debt funding shorter term requirements for working capital. In December, we further strengthened working capital capacity by amending and extending our existing revolving credit facility, removing the £150m stepdown in facility size previously due in December 2017 and extending our £700m facility to December 2021. In August 2017, the Group refinanced the maturing US$80m US Private Placement (USPP) with a new USPP of £200m, taking advantage of the current low interest rate environment. This has a ten year maturity with a fixed coupon of 2.77% which is significantly lower than the maturing USPP that had a fixed rate of interest of 8.14%. Following these financing changes we expect interest costs for FY18 to be around £50m of which c. £15m will be cash interest costs.

Net tangible assets were £3,430.0m (£3.40 per share) of which land net of land creditors and work in progress totalled £3,340.7m (£3.31 per share).

Capital Return Plan

In February, the Board announced that, given the significant operational and financial improvements the Group has made over the last few years, it would improve and extend the existing dividend plan announced in September 2014. As a result, the Group has improved the level of ordinary dividend cover from three times to two and a half times, and thereby increased the dividend payout ratio.

When market conditions allow, ordinary dividends will be supplemented with the payment of special dividends. The Board proposes to pay special dividends of £175m in November 2017 and November 2018.

We are therefore delighted to propose a final dividend of 17.1 pence per share (2016: 12.3 pence per share) resulting in a total ordinary dividend for the year up 33.3% to 24.4 pence per share (2016: 18.3 pence per share) and the third of our special dividends totalling £175.0m, equivalent to 17.3 pence per share. Both dividends will be paid on 20 November 2017 to all shareholders on the register at the close of business on 27 October 2017.

Capital Return Plan[A]	Ordinary dividend £m	Special dividend £m	Total Capital Return £m	Total pence per share
Paid to date[B]	407.7	224.7	632.4	63.1p
Proposed payment				
November 2017	172.2[D]	175.0	347.2	34.4p[D]
Year to November 2018	255.7[C,D]	175.0	430.7	42.7p[D]
Total proposed payment	427.9[C,D]	350.0	777.9	77.1p[D]
Total Capital Return Plan	835.6	574.7	1,410.3	140.2p[D]

[A] All ordinary and special dividends are subject to shareholder approval. The third special dividend will be subject to shareholder approval at the Annual General Meeting in November 2017 and subsequent special dividends will be subject to shareholder approval.

[B] Comprises FY15 interim dividend of 4.8 pence per share (£47.5m), FY15 final dividend of 10.3 pence per share (£103.1m), FY15 special dividend of 10.0 pence per share (£100.0m), FY16 interim dividend of 6.0 pence per share (£60.1m), FY16 final dividend of 12.3 pence per share (£123.6m), FY16 special dividend of 12.4 pence per share (£124.7m), and FY17 interim dividend of 7.3 pence per share (£73.4m).

[C] Based on Reuters consensus estimates of earnings per share of 63.4 pence for FY18 as at 31 August 2017 and applying a two and a half times dividend cover in line with previously announced policy.

[D] Based upon 30 June 2017 share capital of 1,006,729,041 shares for proposed payments.

Current trading and outlook

In the first nine weeks of the financial year, the Group has achieved net private reservations per average week of 265 (FY17: 267), resulting in net private reservations per active outlet per average week of 0.74 (FY17: 0.75).

Forward sales (including JV's) up 13.8%, as at 3 September 2017 at £2,749.9m (4 September 2016: £2,416.5m), equating to 12,160 plots (4 September 2016: 11,364 plots).

		3 September 2017		4 September 2016	Variance £m
Forward sales	**£m**	**Plots**	£m	Plots	%
Private	1,722.3	4,994	1,545.9	4,723	11.4
Affordable	749.0	6,260	707.4	5,957	5.9
Sub-total	2,471.3	11,254	2,253.3	10,680	9.7
JV	278.6	906	163.2	684	70.7
Total	2,749.9	12,160	2,416.5	11,364	13.8

We have started the new financial year in a good position, with £723.7m year-end net cash and a healthy forward order position. Our outlook for FY18 is unchanged and we continue to expect to deliver modest growth in wholly owned completions, with affordable completions representing a similar proportion of completions as FY17.

We have industry leading quality and customer service, and talented employees whose outstanding contribution drives our success. I am proud to lead our first class team who are all determined to build on our outstanding operational and financial performance.

In FY18, we will continue to deliver our strategic objectives with a particular focus on improving margin, maintaining an appropriate capital structure and delivering our Capital Return Plan. When market conditions allow, ordinary dividends will be supplemented with the payment of special dividends.

David Thomas
Chief Executive

5 September 2017

Consolidated Income Statement
Year ended 30 June 2017

Continuing operations	Notes	2017 Total £m	2016 Total £m
Revenue	2.1	**4,650.2**	4,235.2
Cost of sales		**(3,718.2)**	(3,434.8)
Gross profit		**932.0**	800.4
Analysed as:			
Adjusted gross profit		**940.8**	**800.4**
Cost associated with commercial asset	2.1	**(8.8)**	**-**
Administrative expenses		**(132.8)**	(132.0)
Profit from operations	2.1	**799.2**	668.4
Analysed as:			
Adjusted operating profit		**808.0**	**668.4**
Cost associated with commercial asset	2.1	**(8.8)**	**-**
Finance income	5.2	**2.9**	5.9
Finance costs	5.2	**(62.6)**	(64.1)
Net finance costs	5.2	**(59.7)**	(58.2)
Share of post-tax profit from joint ventures		**25.4**	71.9
Share of post-tax profit from associates		**0.2**	0.2
Profit before tax		**765.1**	682.3
Analysed as:			
Adjusted profit before tax		**773.9**	**682.3**
Cost associated with commercial asset	2.1	**(8.8)**	**-**
Tax	2.4	**(149.1)**	(132.0)
Profit for the year		**616.0**	550.3
Profit for the year attributable to the owners of the Company		**615.8**	550.3
Profit for the year attributable to non-controlling interests		**0.2**	–
Earnings per share from continuing operations			
Basic	2.2	**61.3p**	55.1p
Diluted	2.2	**60.7p**	54.3p

Statement of Comprehensive Income

Year ended 30 June 2017

		Group	
	Notes	**2017** **£m**	2016 £m
Profit for the year		**616.0**	550.3
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss			
Actuarial loss on defined benefit pension scheme	**6.1**	**(4.4)**	(9.0)
Fair value adjustment on available for sale financial assets		**-**	0.5
Tax credit relating to items not reclassified		**0.9**	1.7
Total items that will not be reclassified to profit or loss		**(3.5)**	(6.8)
Items that may be reclassified subsequently to profit or loss			
Amounts deferred in respect of effective cash flow hedges	**5.2**	**1.9**	6.3
Amounts reclassified to the Income Statement in respect of hedged cash flows	**5.2**	**10.2**	(1.1)
Tax charge relating to items that may be reclassified		**(2.4)**	(1.2)
Total items that may be reclassified subsequently to profit or loss		**9.7**	4.0
Total comprehensive income recognised for the year		**622.2**	547.5
Total comprehensive income recognised for the year attributable to the owners of the Company		**622.0**	547.5
Total comprehensive income recognised for the year attributable to non-controlling interests		**0.2**	–

Statement of Changes in Shareholders’ Equity

Group

	Share capital (note 5.5.1) £m	Share premium £m	Merger reserve £m	Hedging reserve £m	Own shares (note 5.5.2) £m	Share-based payments £m	Group retained earnings due to shareholders of the Company £m	Total Group retained earnings due to shareholders of the Company £m	Non-controlling interests (note 4.1) £m	Total equity £m
At 1 July 2015	99.5	219.1	1,109.0	(13.7)	(2.7)	34.0	2,257.2	2,288.5	8.9	3,711.3
Profit for the year	–	–	–	–	–	–	550.3	550.3	–	550.3
Amounts deferred in respect of effective cash flow hedges	–	–	–	6.3	–	–	–	–	–	6.3
Amounts reclassified to the Income Statement in respect of hedged cash flows	–	–	–	(1.1)	–	–	–	–	–	(1.1)
Fair value adjustments on available for sale financial assets	–	–	–	–	–	–	0.5	0.5	–	0.5
Actuarial losses on pension scheme	–	–	–	–	–	–	(9.0)	(9.0)	–	(9.0)
Tax on items above taken directly to equity	–	–	–	(1.2)	–	–	1.7	1.7	–	0.5
Total comprehensive income recognised for the year ended 30 June 2016	–	–	–	4.0	–	–	543.5	543.5	–	547.5
Dividend payments	–	–	–	–	–	–	(263.2)	(263.2)	–	(263.2)
Issue of shares	0.9	3.6	–	–	–	–	(0.6)	(0.6)	–	3.9
Share-based payments	–	–	–	–	–	12.8	–	12.8	–	12.8
Net purchase of own shares	–	–	–	–	(0.8)	–	–	(0.8)	–	(0.8)
Transfer of share-based payments charge for exercised/lapsed options	–	–	–	–	–	(10.8)	10.8	–	–	–
Tax on share-based payments	–	–	–	–	–	(8.5)	7.2	(1.3)	–	(1.3)
At 30 June 2016	100.4	222.7	1,109.0	(9.7)	(3.5)	27.5	2,554.9	2,578.9	8.9	4,010.2
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**615.8**	**615.8**	**0.2**	**616.0**
Amounts deferred in respect of effective cash flow hedges	**–**	**–**	**–**	**1.9**	**–**	**–**	**–**	**–**	**–**	**1.9**
Amounts reclassified to the Income Statement in respect of hedged cash flows	**–**	**–**	**–**	**10.2**	**–**	**–**	**–**	**–**	**–**	**10.2**
Actuarial losses on pension scheme	**–**	**–**	**–**	**–**	**–**	**–**	**(4.4)**	**(4.4)**	**–**	**(4.4)**
Tax on items above taken directly to equity	**–**	**–**	**–**	**(2.4)**	**–**	**–**	**0.9**	**0.9**	**–**	**(1.5)**
Total comprehensive income recognised for the year ended 30 June 2017	**–**	**–**	**–**	**9.7**	**–**	**–**	**612.3**	**612.3**	**0.2**	**622.2**
Dividend payments	**–**	**–**	**–**	**–**	**–**	**–**	**(321.7)**	**(321.7)**	**–**	**(321.7)**
Issue of shares	**0.4**	**2.0**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2.4**
Share-based payments	**–**	**–**	**–**	**–**	**–**	**9.1**	**–**	**9.1**	**–**	**9.1**
Purchase of own shares	**–**	**–**	**–**	**–**	**(3.6)**	**–**	**–**	**(3.6)**	**–**	**(3.6)**
Transfer of share-based payments charge for exercised/lapsed options	**–**	**–**	**–**	**–**	**5.8**	**(14.4)**	**8.7**	**0.1**	**–**	**0.1**
Tax on share-based payments	**–**	**–**	**–**	**–**	**–**	**0.7**	**2.8**	**3.5**	**–**	**3.5**
At 30 June 2017	**100.8**	**224.7**	**1,109.0**	**–**	**(1.3)**	**22.9**	**2,857.0**	**2,878.6**	**9.1**	**4,322.2**

Balance Sheet

At 30 June 2017

		Group	
	Notes	**2017** **£m**	2016 £m
Assets			
Non-current assets			
Other intangible assets		**100.0**	100.0
Goodwill	4.2	**792.2**	792.2
Property, plant and equipment		**9.5**	9.6
Investments in joint ventures and associates		**213.1**	255.9
Retirement benefit assets	6.1	**13.6**	8.1
Available for sale financial assets		**3.5**	3.8
Trade and other receivables		**2.3**	1.6
Derivative financial instruments - swaps	5.3	**-**	11.8
		1,134.2	1,183.0
Current assets			
Inventories	3.1	**4,475.4**	4,326.6
Available for sale financial assets		**0.4**	0.8
Trade and other receivables		**204.5**	149.6
Cash and cash equivalents	5.1	**784.4**	758.0
Derivative financial instruments - swaps	5.3	**13.2**	-
		5,477.9	5,235.0
Total assets		**6,612.1**	6,418.0
Liabilities			
Non-current liabilities			
Loans and borrowings	5.1	**(1.4)**	(171.5)
Trade and other payables		**(596.9)**	(629.9)
Deferred tax liabilities		**(8.0)**	(10.5)
Derivative financial instruments - swaps	5.3	**-**	(7.5)
		(606.3)	(819.4)
Current liabilities			
Loans and borrowings	5.1	**(72.5)**	(6.0)
Trade and other payables		**(1,534.2)**	(1,513.5)
Derivative financial instruments - swaps	5.3	**(5.8)**	(5.6)
Current tax liabilities		**(71.1)**	(63.3)
		(1,683.6)	(1,588.4)
Total liabilities		**(2,289.9)**	(2,407.8)
Net assets		**4,322.2**	4,010.2
Equity			
Share capital	5.5	**100.8**	100.4
Share premium		**224.7**	222.7
Merger reserve		**1,109.0**	1,109.0
Hedging reserve		**-**	(9.7)
Retained earnings		**2,878.6**	2,578.9
Equity attributable to the owners of the Company		**4,313.1**	4,001.3
Non-controlling interests	4.1	**9.1**	8.9
Total equity		**4,322.2**	4,010.2

Cash Flow Statement

Year ended 30 June 2017

		Group	
	Notes	**2017** **£m**	2016 £m
Reconciliation of operating profit to cash flow from operating activities **Profit from operations**		**799.2**	668.4
Depreciation		**4.1**	4.5
Loss on disposal of fixed assets		**-**	0.2
Impairment of inventories		**13.5**	8.6
Impairment/(reversal of impairment) of available for sale financial assets		**(2.6)**	2.1
Impairment of investment in entities accounted for using the equity method		**1.0**	-
Share-based payments charge		**9.1**	12.8
Imputed interest on deferred term payables*	5.2	**(32.5)**	(34.5)
Imputed interest on available for sale financial assets and interest free loans*	5.2	**-**	2.9
Amortisation of facility fees	5.2	**(3.3)**	(2.9)
Finance income related to employee benefits	5.2	**0.4**	0.4
Total non-cash items		**(10.3)**	(5.9)
Increase in inventories		**(162.3)**	(161.6)
Increase in trade and other receivables		**(66.7)**	(0.9)
(Decrease)/increase in trade and other payables		**(9.7)**	188.5
Decrease in available for sale financial assets		**3.3**	100.8
Total movements in working capital		**(235.4)**	126.8
Interest paid		**(23.2)**	(26.8)
Tax paid		**(141.7)**	(109.6)
Net cash inflow from operating activities		**388.6**	652.9
Investing activities: Purchase of property, plant and equipment		**(4.0)**	(6.1)
Increase in amounts invested in entities accounted for using the equity method		**(54.9)**	(33.6)
Repayment of amounts invested in entities accounted for using the equity method		**37.2**	21.7
Dividends received from investments accounted for using the equity method		**85.1**	28.1
Interest received		**2.5**	2.6
Net cash inflow from investing activities		**65.9**	12.7
Financing activities: Dividends paid	2.3	**(321.7)**	(263.2)
Purchase of own shares		**(3.6)**	(1.0)
Proceeds from disposal of own shares		**0.1**	0.2
Proceeds from issue of share capital		**2.4**	3.9
Loan repayments		**(105.6)**	(10.9)
Drawdown of loans		**0.3**	3.0
Net cash outflow from financing activities		**(428.1)**	(268.0)
Net increase in cash and cash equivalents		**26.4**	397.6
Cash and cash equivalents at the beginning of the year		**758.0**	360.4
Cash and cash equivalents at the end of the year	5.1	**784.4**	758.0

*The Balance Sheet movements in land, available for sale financial assets and certain interest free loans include non-cash movements due to imputed interest. Imputed interest is therefore included within non-cash items in the statement above.

Section 1 – Basis of preparation

1.1 Cautionary statement

The Chairman's Statement and Chief Executive's Statement commentary contained in this Annual Results Announcement, including the principal risks and uncertainties (note 7.5), have been prepared by the Directors in good faith based on the information available to them up to the time of their approval of this report solely for the Company's shareholders as a body, so as to assist them in assessing the Group's strategies and the potential for those strategies to succeed and accordingly should not be relied on by any other party or for any other purpose and the Company hereby disclaims any liability to any such other party or for reliance on such information for any such other purpose.

This Annual Results Announcement has been prepared in respect of the Group as a whole and accordingly matters identified as being significant or material are so identified in the context of Barratt Developments PLC and its subsidiary undertakings in the consolidation taken as a whole.

1.2 Basis of preparation

Whilst the financial information included in this Annual Results Announcement has been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'), International Financial Reporting Interpretations Committee ('IFRIC') interpretations and Standing Interpretations Committee ('SIC') interpretations as adopted and endorsed by the European Union ('EU'), this announcement does not itself contain sufficient information to comply with IFRS. Full Financial Statements that comply with IFRS are included in the 2017 Annual Report and Accounts which will be circulated to shareholders in October 2017 and made available at www.barrattdevelopments.co.uk at that point.

The accounting policies adopted are consistent with those followed in the preparation of the Group's 2017 Annual Report and Accounts which have not changed from those adopted in the Group's 2016 Annual Report and Accounts.

This Annual Results Announcement has been prepared under the historical cost convention as modified by the revaluation of available for sale financial assets, derivative financial instruments and share-based payments.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of condensed consolidated financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of the amounts, actual results may ultimately differ from those estimates. The Directors have made no individual judgements that have a significant impact upon the Financial Statements, apart from those involving estimations.

The most significant estimates made by the Directors in these condensed consolidated financial statements are set out within the relevant notes.

1.3 Going concern

In determining the appropriate basis of preparation of the condensed consolidated financial statements, the Directors are required to consider whether the Group can continue in operational existence for the foreseeable future.

The Group's business activities, together with factors which the Directors consider are likely to affect its future development, financial performance and financial position are set out in the Chief Executive's statement. The material financial and operational risks and uncertainties that may have an impact upon the Group's performance and their mitigation are outlined in note 7.5 and financial risks including liquidity risk, market risk, credit risk and capital risk are outlined in note 5.4 to these condensed consolidated financial statements.

The financial performance of the Group is dependent upon the wider economic environment in which the Group operates. As explained in the 'Principal risks and uncertainties' section in note 7.5, factors that particularly affect the performance of the Group include changes in the macroeconomic environment including buyer confidence, availability of mortgage finance for the Group's customers and interest rates. In forming their conclusion, the Directors have considered all currently available information about the potential future outcomes of events and changes in conditions that are reasonably possible at the time of making this statement. In doing this they have concluded that no material uncertainties exist.

At 30 June 2017 the Group had total committed bank facilities and private placement notes of £748.3m. The final maturity dates of these facilities range from August 2017 to December 2021, with the £700.0m revolving credit facility maturing in December 2021. Since the balance sheet date the US$ private placement notes have been repaid and new sterling US private placement notes have been issued resulting in total committed bank facilities and private placement notes of £900.0m with maturities ranging from December 2021 to August 2027. The committed facilities and private placement notes provide appropriate headroom above our current forecast debt requirements.

In addition to these committed borrowing facilities the Group has £16.8m of financing from the Government's 'Get Britain Building' scheme repayable on 31 March 2018. Further committed loan facilities of £4.6m are available under agreements with local government which are due to be repaid between March 2018 and March 2020.

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the condensed consolidated financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of these condensed consolidated financial statements. For this reason, they continue to adopt the going concern basis in the preparation of these condensed consolidated financial statements.

1.4 Adoption of new and revised standards

In the year ended 30 June 2017, the Group has adopted no new standards, amendments or interpretations.

Section 2 – Results for the year and utilisation of profits

Estimation of future income and costs to complete - In order to determine the profit that the Group is able to recognise on its developments in a specific period, the Group has to allocate site-wide development costs between units built in the current year and in future years. It also has to estimate costs to complete on such developments and make estimates relating to future sales price margins on those developments and units. In making these assessments there is a degree of inherent uncertainty. The Group has developed internal controls to assess and review carrying values and the appropriateness of estimates made.

2.1 Segmental analysis

The Group consists of two separate segments for management reporting and control purposes, being housebuilding and commercial developments. The segments are considered appropriate for reporting under IFRS 8 'Operating Segments' since these segments are regularly reviewed internally by the Board without further significant categorisation. The Group presents its primary segment information on the basis of these operating segments. As the Group operates in a single geographic market, Great Britain, no secondary segmentation is provided.

	House-building	**Commercial developments**	**2017 Total**	House-building	Commercial developments	2016 Total
	Units	**Units**	**Units**	Units	Units	Units
Residential completions*	**16,645**	**–**	**16,645**	15,905	–	15,905
Consolidated Income Statement	**£m**	**£m**	**£m**	£m	£m	£m
Revenue	**4,589.1**	**61.1**	**4,650.2**	4,153.3	81.9	4,235.2
Cost of sales	**(3,661.9)**	**(47.5)**	**(3,709.4)**	(3,361.3)	(73.5)	(3,434.8)
Adjusted item**	**-**	**(8.8)**	**(8.8)**	-	-	-
Gross profit	**927.2**	**4.8**	**932.0**	792.0	8.4	800.4
Administrative expenses	**(129.4)**	**(3.4)**	**(132.8)**	(129.6)	(2.4)	(132.0)
Profit from operations	**797.8**	**1.4**	**799.2**	662.4	6.0	668.4
Share of post-tax profit/(loss) from joint ventures and associates	**26.5**	**(0.9)**	**25.6**	72.4	(0.3)	72.1
Profit from operations including post-tax profit/(loss) from joint ventures and associates	**824.3**	**0.5**	**824.8**	734.8	5.7	740.5
Finance income			**2.9**			5.9

	House-building **Units**	**Commercial developments** **Units**	**2017 Total** **Units**	House-building Units	Commercial developments Units	2016 Total Units
Finance costs			**(62.6)**			(64.1)
Profit before tax			**765.1**			682.3
Tax			**(149.1)**			(132.0)
Profit for the year from continuing operations			**616.0**			550.3

*Residential completions exclude joint venture completions of 750 (2016: 1,414) in which the Group has an interest.

Balance Sheet	**House-building** **£m**	**Commercial developments** **£m**	**2017 Total** **£m**	House-building £m	Commercial developments £m	2016 Total £m
Segment assets	**5,821.4**	**27.6**	**5,849.0**	5,648.0	42.2	5,690.2
Elimination of intercompany balances			**(21.3)**			(30.2)
			5,827.7			5,660.0
Cash and cash equivalents			**784.4**			758.0
Consolidated total assets			**6,612.1**			6,418.0
Segment liabilities	**(2,081.9)**	**(76.3)**	**(2,158.2)**	(2,114.3)	(72.4)	(2,186.7)
Elimination of intercompany balances			**21.3**			30.2
			(2,136.9)			(2,156.5)
Loans and borrowings			**(73.9)**			(177.5)
Deferred tax liabilities			**(8.0)**			(10.5)
Current tax liabilities			**(71.1)**			(63.3)
Consolidated total liabilities			**(2,289.9)**			(2,407.8)

Other information	**House-building** **£m**	**Commercial developments** **£m**	**2017 Total** **£m**	House-building £m	Commercial developments £m	2016 Total £m
Capital additions	**4.0**	**-**	**4.0**	6.1	–	6.1
Depreciation	**4.1**	**-**	**4.1**	4.5	–	4.5

** During the year an amount of £8.8m (2016: £nil) was provided in respect of impairment costs associated with a legacy commercial asset. These costs have been disclosed as adjusted in the Income Statement.

In determining the sum provided it was necessary to estimate the cash flows associated with the asset, and to discount these at an appropriate rate. The discount rate was determined at 2.3% with reference to the Group's forecast average cost of debt.

2.2 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders of the parent company of £615.8m (2016: £550.3m) by the weighted average number of ordinary shares in issue during the year, excluding those held by the Employee Benefit Trust which are treated as cancelled, which was 1,004.3m (2016: 998.7m) shares.

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders of the parent company of £615.8m (2016: £550.3m) by the weighted average number of ordinary shares in issue adjusted to assume conversion of all potentially dilutive share options from the start of the year, giving a figure of 1,014.7m (2016: 1,013.0m) shares.

The earnings per share from continuing operations were as follows:

	2017 **pence**	2016 pence
Basic earnings per share	**61.3**	55.1
Diluted earnings per share	**60.7**	54.3

2.3 Dividends

	2017 **£m**	2016 £m
Amounts recognised as distributions to equity shareholders in the year:		
Final dividend for the year ended 30 June 2016 of 12.3p (2015: 10.3p) per share	**123.6**	103.1
Special dividend for the year ended 30 June 2016 of 12.4p (2015: 10.0p) per share	**124.7**	100.0
Interim dividend for the year ended 30 June 2017 of 7.3p (2016: 6.0p) per share	**73.4**	60.1
Total dividends distributed to equity shareholders in the year	**321.7**	263.2

	2017 **£m**	2016 £m
Proposed final dividend for the year ended 30 June 2017 of 17.1p (2016: 12.3p) per share	**172.2**	123.3
Proposed special dividend for the year ended 30 June 2017 of 17.3p (2016: 12.4p) per share	**175.0**	125.0

The proposed final dividend and the special dividend are subject to approval by shareholders at the Annual General Meeting. The cost has been calculated based on the issued share capital at 30 June 2017 and has not been included as a liability at 30 June 2017.

2.4 Tax

All profits of the Group are subject to UK corporation tax.

The current year tax charge has been provided for at an effective rate of 19.75% (2016: 20.0%) and the closing deferred tax assets and liabilities have been provided in these condensed consolidated financial statements at a rate of between 17.0% and 19.0% (2016: between 18.0% and 20.0%) of the temporary differences giving rise to these assets and liabilities, dependent upon when they are expected to reverse.

2.4.1 Tax recognised in the Income Statement

The tax expense represents the sum of the tax currently payable and deferred tax.

Analysis of the tax charge for the year

	2017 **£m**	2016 £m
Current tax:		
UK corporation tax for the year	**152.8**	135.1
Adjustment in respect of previous years	**0.5**	(2.6)
	153.3	132.5
Deferred tax:		
Origination and reversal of temporary differences	**(3.1)**	(0.4)
Adjustment in respect of previous years	**(0.4)**	1.7
Impact of reduction in corporation tax rate	**(0.7)**	(1.8)
	(4.2)	(0.5)
Tax charge for the year	**149.1**	132.0

Factors affecting the tax charge for the year

The tax rate assessed for the year is lower (2016: lower) than the standard effective rate of corporation tax in the UK of 19.75% (2016: 20.0%). The differences are explained below:

	2017 **£m**	2016 £m
Profit before tax	**765.1**	682.3
Profit before tax multiplied by the standard rate of corporation tax of 19.75% (2016: 20.0%)	**151.1**	136.5
Effects of:		
Other items including non-deductible expenses	**1.0**	1.2
Additional tax relief for land remediation costs	**(1.8)**	(2.0)
Adjustment in respect of previous years	**0.1**	(0.9)
Adjustment for post-tax profits of certain joint ventures included in Group profit before tax	**(0.6)**	(1.0)
Impact of change in tax rate on deferred tax asset	**(0.7)**	(1.8)
Tax charge for the year	**149.1**	132.0

2.4.2 Tax recognised in equity

In addition to the amount charged to the Consolidated Income Statement, a net current and deferred tax charge of £2.0m (2016: £0.8m) was recognised directly in equity.

Section 3 – Working capital

3.1 Inventories

Carrying value of land and work in progress - The Group's principal activities are housebuilding and commercial development. The majority of the development activity is not contracted prior to the development commencing. Accordingly, the Group has in its Balance Sheet at 30 June 2017 current assets that are not covered by a forward sale. The Group's internal controls are designed to identify any developments where the balance sheet value of land and work in progress is more than the projected lower of cost or net realisable value.

During the year the Group has conducted six-monthly reviews of the net realisable value of specific sites identified as at high risk of impairment, based upon a number of criteria including low site profit margins and sites with no forecast completions. Where the estimated net realisable value of a site was less than its current carrying value within the Balance Sheet, the Group has impaired the land and work in progress value.

During the year, due to performance variations, changes in assumptions and changes to viability on individual sites, there were gross impairment charges of £16.8m (2016: £11.0m) and gross impairment reversals of £3.3m (2016: £2.4m), resulting in a net impairment charge of £13.5m (2016: £8.6m) included within profit from operations.

The key estimates in these reviews are those used to estimate the realisable value of a site, which is determined by forecast sales rates, expected sales prices and estimated costs to complete. The estimation of future sales prices and costs to complete included zero net inflation (2016: zero net inflation for the first three years and then low single digit inflation thereafter). If the UK housing market were to change beyond management expectations in the future, in particular with regards to the assumptions around sales prices and estimated costs to complete, further adjustments to the carrying value of land and work in progress may be required. A 5% reduction in forecast average selling prices would result in additional impairment of inventories, however this would not be material.

The land held at the balance sheet date that has already been impaired is most sensitive to the judgements being applied and the potential for further impairment or reversal. Forecasting risk also increases in relation to those sites that are not expected to be realised in the short to medium term.

	Group	
	2017 **£m**	2016 £m
Land held for development	**2,895.6**	2,880.2
Construction work in progress	**1,509.1**	1,386.3
Part-exchange properties and other inventories	**70.7**	60.1
	4,475.4	4,326.6

3.1.1 Nature of inventories

The Directors consider all inventories to be essentially current in nature, although the Group's operational cycle is such that a proportion of inventories will not be realised within 12 months. It is not possible to determine with accuracy when specific inventory will be realised as this will be subject to a number of variables such as consumer demand and planning permission delays.

3.1.2 Expensed inventories

The value of inventories expensed in the year ended 30 June 2017 and included in cost of sales was £3,509.6m (2016: £3,233.7m).

Section 4 – Business combinations and other investing activities

4.1 Business combinations

4.1.1 Non-controlling interests

At 30 June 2017 the following subsidiaries of the Group had non-controlling interests:

Subsidiary	Percentage owned	Voting rights controlled	Country of registration	Principal place of business	Principal activity
SQ Holdings Limited	90.0%	90.0%	Guernsey*	UK	Housebuilding
The Tin Hat Regeneration Partnership LLP	90.0%	50.0%	England and Wales	UK	Commercial development

*Subject to UK corporation tax (see note 2.4).

	Group	
Movement in non-controlling interest share of net assets recognised in the Consolidated Balance Sheet	**2017** **£m**	2016 £m
At 1 July	**8.9**	8.9
Share of profit for the year recognised in the Consolidated Income Statement	**0.2**	-
At 30 June	**9.1**	8.9

4.2 Goodwill

	Group **£m**
Cost	
At 1 July 2015, 30 June 2016 and 30 June 2017	**816.7**
Accumulated impairment losses	
At 1 July 2015, 30 June 2016 and 30 June 2017	**24.5**
Carrying amount	
At 30 June 2016 and 30 June 2017	**792.2**

The Group's goodwill has a carrying value of £792.2m relating to the housebuilding segment. The goodwill relating to the commercial developments segment, with a cost of £24.5m, was fully impaired in the year ended 30 June 2008.

4.2.1 Impairment of goodwill and intangible assets

The Group conducts an annual impairment review of goodwill and intangibles together for the housebuilding segment.

Impairment of goodwill and brands - The impairment review for the goodwill of the housebuilding business and the Group's indefinite life brand, David Wilson Homes, requires an estimation of the value-in-use of the housebuilding segment. The value-in-use calculation requires an estimate of the future cash flows expected from the housebuilding business, including the anticipated growth rate of revenue and costs, and requires the determination of a suitable discount rate to calculate the present value of the cash flows. The discount rate used is based on the average capital structure of the Group, current market assessments of the time value of money and risks appropriate to the Group's housebuilding business. Changes in these may impact upon the Group's discount rate in future periods. The sensitivity of the valuation of goodwill and brands to changes in expectations and discount rates is set out in this note.

An impairment review was performed at 30 June 2017 and compared the value-in-use of the housebuilding segment with the carrying value of its tangible and intangible assets and allocated goodwill.

The value-in-use was determined by discounting the expected future cash flows of the housebuilding segment. The first two years of cash flows were determined using the Group's approved detailed site-by-site business plan. The cash flows for the third to the fifth years were determined using Group level internal forecasted cash flows based upon expected volumes, selling prices and margins, taking into account available land purchases and work in progress levels. The cash flows for year six onwards were extrapolated in perpetuity using an estimated growth rate of 2.5%, which was based upon the historical long term growth rate of the UK economy.

The key assumptions for the value-in-use calculations were:

- Discount rate: this is a pre-tax rate reflecting current market assessments of the time value of money and risks appropriate to the Group's housebuilding business. Accordingly, the rate of 14.5% (2016: 14.2%) is considered by the Directors to be the appropriate pre-tax risk adjusted discount rate, being the Group's estimated long term pre-tax weighted average cost of capital. The rate used in the 30 June 2017 impairment review is calculated using the average capital structure of the Group during the financial year, consistent with the prior year, due to the cyclicality of the Group's borrowing requirements.
- Expected changes in selling prices for completed houses and the related impact upon operating margin: these are determined on a site-by-site basis for the first two years dependent upon local market conditions and product type. For years three to five, these have been estimated at a Group level based upon past experience and expectations of future changes in the market, taking into account external market forecasts.
- Sales volumes: these are determined on a site-by-site basis for the first two years dependent upon local market conditions, land availability and planning permissions. For years three to five, these have been estimated at a Group level based upon past experience and expectations of future changes in the market, taking into account external market forecasts.
- Expected changes in site costs to complete: these are determined on a site-by-site basis for the first two years dependent upon the expected costs of completing all aspects of each individual development. For years three to five, these have been estimated at a Group level based upon past experience and expectations of future changes in the market, taking into account external market forecasts.

The conclusion of this impairment review was that given the current position of the housebuilding segment and the expectations as to its future performance based upon current forecasts for sales volumes and expected changes in both selling prices and costs to complete, the housebuilding segment's goodwill and intangible assets were not impaired. The recoverable value of goodwill and intangible assets exceeded its carrying value by £1,720.8m (2016: £1,424.6m).

If the UK housing market and expectations regarding its future were to deteriorate with either operating margins reduced each year by 4.8% (2016: 4.2% per annum) versus management expectations or the appropriate discount rate were to increase by 5.4% (2016: 4.5%) and all other variables were held constant, then the recoverable value of goodwill and intangible assets would equal its carrying value.

Section 5 – Capital structure and financing

5.1 Net cash

Net cash is defined as cash and cash equivalents, bank overdrafts, interest bearing borrowings and foreign exchange swaps.

Net cash at 30 June is shown below:

			Group
	Notes	**2017** **£m**	2016 £m
Cash and cash equivalents	5.1.1	**784.4**	758.0
Drawn debt			
Borrowings			
Term loans		**-**	(100.0)
Government loans		**(21.4)**	(27.0)
Private placement notes		**(61.6)**	(60.0)
Prepaid fees		**9.1**	9.5
Total borrowings being total drawn debt		**(73.9)**	(177.5)
Derivative financial instruments			
Foreign exchange swaps	5.3	**13.2**	11.5
Net cash		**723.7**	592.0

Total borrowings at 30 June are analysed as:			
Non-current borrowings		**(1.4)**	(171.5)
Current borrowings		**(72.5)**	(6.0)
Total borrowings being drawn debt		**(73.9)**	(177.5)

Movement in net cash is analysed as follows:

		Group
	2017 **£m**	2016 £m
Net increase in cash and cash equivalents	**26.4**	397.6
Net loan repayments/(drawdown) including foreign exchange loss	**103.6**	(1.0)
Foreign exchange gain on swaps	**1.7**	8.9
Movement in net cash in the year	**131.7**	405.5
Opening net cash	**592.0**	186.5
Closing net cash	**723.7**	592.0

5.1.1 Cash and cash equivalents

Cash and cash equivalents are held at floating interest rates linked to the UK bank rate, LIBOR and money market rates as applicable. Cash and cash equivalents comprise cash held by the Group and short term bank deposits with an original maturity of three months or less from inception and are subject to an insignificant risk of changes in value.

5.1.2 Borrowings and facilities

All debt (excluding Get Britain Building loans) is unsecured.

The principal features of the Group's debt facilities at 30 June 2017 and 30 June 2016 were as follows:

		Amount drawn		
	Facility	**30 June 2017**	30 June 2016	**Maturity**
Committed facilities				
Revolving credit facility (RCF)	£700.0m	**–**	–	29 December 2021
Term loan	**–**	**–**	£100.0m	Repaid in full on 27 March 2017
Government loans*	£16.8m	**£16.8m**	£22.5m	Repayment due on 31 March 2018
Local government loan agreements	£4.6m	**£4.6m including £0.2m interest**	£4.6m including £0.1m interest	Repayments due between 31 March 2018 and 31 March 2020
Fixed rate US$ private placement notes	$80.0m	**$80.0m**	$80.0m	23 August 2017

*Government loans comprise cash received for specific sites under the Government's 'Get Britain Building' scheme, which is repayable as described in the table above.

Amendments to the Group's facilities which have occurred since the balance sheet date are included in note 7.3.

The Group also uses various bank overdrafts and uncommitted borrowing facilities that are subject to floating interest rates linked to the UK bank rate, LIBOR and money market rates as applicable.

Weighted average interest rates are disclosed in note 5.2.

5.2 Net finance costs

Recognised in the Consolidated Income Statement:

	Notes	**2017** **£m**	2016 £m
Finance income			
Finance income on short term bank deposits		**(0.7)**	(0.7)
Imputed interest on available for sale financial assets and interest free loans		**-**	(2.9)
Finance income related to employee benefits	**6.1**	**(0.4)**	(0.4)
Other interest receivable		**(1.8)**	(1.9)
		(2.9)	(5.9)
Finance costs			
Interest on loans and borrowings		**12.0**	14.1
Imputed interest on deferred term payables		**32.5**	34.5
Amounts reclassified to the Income Statement in respect of hedged cash flows		**10.2**	(1.1)
Foreign exchange losses on US Dollar debt		**1.7**	8.9
Amortisation of facility fees		**3.3**	2.9
Other interest payable		**2.9**	4.8
		62.6	64.1
Net finance costs		**59.7**	58.2

Recognised in equity:

	2017 **£m**	2016 £m
Amounts deferred in respect of effective cash flow hedges	**(1.9)**	(6.3)
Total fair value movement on cash flow swaps included in equity	**(1.9)**	(6.3)
Amounts reclassified to the Income Statement in respect of hedged cash flows	**(10.2)**	1.1
Total fair value movement on cash flow swaps transferred from equity	**(10.2)**	1.1

The weighted average interest rates, excluding fees, paid in the year were as follows:

		Group
	2017 **%**	2016 %
Bank loans excluding swap interest	**1.7**	2.1
Net swap payment	**5.4**	5.2
Government loans	**1.9**	2.2
Term loans	**4.4**	4.7
Private placement notes	**8.2**	8.2

5.3 Derivative financial instruments – swaps

The Group has entered into derivative financial instruments in the form of interest rate swaps and cross currency swaps to manage the interest rate and foreign exchange rate risk arising from the Group's operations and sources of finance. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors as detailed in note 5.4 to the condensed consolidated financial statements. The Group does not enter into any derivatives for speculative purposes.

Hedge accounting - The Group has adopted hedge accounting for its swaps. If it ceases to be highly probable that there is sufficient forecast debt to match with the period of the interest rate swaps or if the cross currency hedges cease to be highly effective, any changes in fair value of the swaps would be recognised in the Consolidated Income Statement, rather than equity.

As detailed in note 5.3.1 below, the cash flows hedged by the interest rate swap are no longer expected to occur and the resulting ineffectiveness has been transferred to the Consolidated Income Statement in the year.

The Group includes foreign exchange swaps within net debt. These swaps were entered into to hedge the foreign exchange exposure upon the Group's US Dollar denominated private placement notes. The Group's foreign exchange swaps have both an interest rate and an exchange rate element and only the exchange rate element on the notional amount of the swap is included within the net cash note.

The Group's derivative financial instruments at 30 June are shown below:

		Group
Designated as cash flow hedges:	**2017** **£m**	2016 £m
Foreign exchange swap – exchange rate element	**13.2**	11.5
Foreign exchange swap – interest rate element	**-**	0.3
Non-current asset	**-**	11.8
Current asset	**13.2**	-
Interest rate swaps – non-current liability	**-**	(7.5)
Interest rate swaps – current liability	**(5.8)**	(5.6)
Total liability	**(5.8)**	(13.1)
Net derivative financial instruments	**7.4**	(1.3)

5.3.1 Interest rate swaps

The Group enters into derivative transactions in the form of swap arrangements to manage the cash flow risks, related to interest rates, arising from the Group's sources of finance.

In previous years the Group entered into swap arrangements to swap £25.0m (2016: £137.0m) of floating rate debt into fixed rate Sterling debt in accordance with the Group Treasury policy outlined in note 5.4. After taking into account swap arrangements, the fixed interest rates applicable to the debt were as follows:

		2017			2016
£m	**Fixed rate payable %**	**Maturity**	£m	Fixed rate payable %	Maturity
-	**-**	**-**	60.0	6.06	2017
-	**-**	**-**	19.5	6.18	2017
-	**-**	**-**	32.5	5.83	2017
25.0	**5.64**	**2022***	25.0	5.61	2022
25.0			137.0		

*The £25.0m 2022 interest rate swap arrangement contains a clause allowing the Group and the Company or counterparty to cancel the swap on 22 August 2017 at fair value.

The Group has concluded that future floating rate borrowing is no longer expected to be highly probable. As a result, the Group intends to discontinue prospectively hedge accounting for the interest rate swap. As the transaction is no longer highly probable the loss previously recognised on the interest rate swap of £5.8m has been reclassified from equity to the Income Statement during the year ended 30 June 2017. This is included in the Statement of Consolidated Income within the £10.2m reclassified to the Income Statement in the year.

In addition, during the year ended 30 June 2017 hedging ineffectiveness of £0.7m (2016: £0.7m charge) was credited to the Consolidated Income Statement.

5.3.2 Foreign exchange swaps

The Group enters into derivative transactions in the form of swap arrangements to manage the cash flow risks related to foreign exchange arising from the Group's sources of finance denominated in US Dollars.

As at 30 June 2017, the Group had outstanding fixed rate US Dollar loan notes of US$80.0m (2016: US$80.0m).

The Group has entered into swap arrangements to swap all of this debt into fixed rate Sterling debt in accordance with the Group Treasury policy outlined in note 5.4. After taking into account swap arrangements, the fixed interest rates applicable to the debt were as follows:

		2017			2016
US$m	**Fixed rate payable %**	**Maturity**	US$m	Fixed rate payable %	Maturity
80.0	**8.14**	**2017**	80.0	8.14	2017

There was no ineffectiveness to be taken through the Consolidated Income Statement during the year or the prior year.

5.4 Financial risk management

The Group's approach to risk management and the principal operational risks of the business are detailed in note 7.5. The Group's derivative financial instruments are detailed in note 5.3.

The Group's operations and financing arrangements expose it to a variety of financial risks of which the most material are: credit risk, foreign exchange risk, liquidity risk, interest rates and the availability of funding at reasonable margins. There is a regular, detailed system for the reporting and forecasting of cash flows from the operations to Group management to ensure that liquidity risks are promptly identified and appropriate mitigating actions taken by the Treasury department. These forecasts are further stress-tested at a Group level on a regular basis to ensure that adequate headroom within facilities and banking covenants is maintained. In addition, the Group has in place a risk management programme that seeks to limit the adverse effects of the other risks on its financial performance, in particular by using financial instruments, including debt and derivatives, to hedge interest rates and currency rates. The Group does not use derivative financial instruments for speculative purposes. See principal risks and uncertainties section for more details.

The Board approves treasury policies and certain day-to-day treasury activities have been delegated to a centralised Treasury Operating Committee, which in turn regularly reports to the Board. The Treasury department implements guidelines that are established by the Board and the Treasury Operating Committee.

5.4.1 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its liabilities as they fall due. The Group actively maintains a mixture of long term and medium term committed facilities that are designed to ensure that the Group has sufficient available funds for operations. The Group's borrowings are typically cyclical throughout the financial year and peak in April and May; and October and November of each year, due to seasonal trends in income. Accordingly, the Group maintains sufficient facility headroom to cover these requirements. On a normal operating basis, the Group has a policy of maintaining a minimum headroom of £150.0m. The Group identifies and takes appropriate actions based upon its regular, detailed system for the reporting and forecasting of cash flows from its operations. The Group's drawn debt, excluding fees, represented 11.3% (2016: 20.0%) of available committed facilities at 30 June 2017. In addition, the Group had £784.4m (2016: £758.0m) of cash and cash equivalents.

The Group was in compliance with its financial covenants at 30 June 2017. At the date of approval of the condensed consolidated financial statements, the Group's internal forecasts indicate that it will remain in compliance with these covenants for the foreseeable future, being at least 12 months from the date of approval of the condensed consolidated financial statements.

One of the Group's objectives is to minimise refinancing risk. The Group therefore has a policy that the average maturity of its committed bank facilities and private placement notes is at least two years on average with a target of three years. At 30 June 2017, the average maturity of the Group's facilities was 4.1 years (2016: 3.0 years).

The Group maintains certain committed floating rate facilities with banks to ensure sufficient liquidity for its operations. The undrawn committed facilities available to the Group, in respect of which all conditions precedent had been met, were as follows:

	Group	
Expiry date	**2017** **£m**	2016 £m
In more than one year but not more than two years	**-**	150.0
In more than two years but not more than five years	**700.0**	550.0
	700.0	700.0

In addition, the Group had £71.2m (2016: £71.2m) of undrawn uncommitted facilities available at 30 June 2017.

5.4.2 Market risk (price risk)

5.4.2.1 Interest rate risk

The Group has both interest bearing assets and interest bearing liabilities. Floating rate borrowings expose the Group to cash flow interest rate risk and fixed rate borrowings expose the Group to fair value interest rate risk.

The Group has a conservative treasury risk management strategy and the Group's interest rates are fixed using both derivatives and fixed rate debt instruments. The Group's policy target is for 0-40% of average borrowings over the three-year plan period to be at fixed rates of interest. Due to the seasonality of the Group's funding requirements, 111.7% (2016: 108.6%) of the Group's gross borrowings were fixed as at 30 June 2017 and the average over the three-year plan period has increased to 60.1% (2016: 42.4%) due to the issuance of a £200m fixed rate USPP in August 2017 (see note 7.3).

The exposure of the Group's financial liabilities to interest rate risk is as follows:

Group	**Floating rate financial liabilities £m**	**Fixed rate financial liabilities £m**	**Non-interest bearing financial liabilities £m**	**Total £m**
2017				
Financial liabilities (excluding derivatives)	**16.8**	**66.2**	**1,828.7**	**1,911.7**
Impact of interest rate swaps	**(25.0)**	**25.0**	-	-
Financial liability exposure to interest rate risk	**(8.2)**	**91.2**	**1,828.7**	**1,911.7**
2016				
Financial liabilities (excluding derivatives)	112.8	64.7	1,870.2	2,047.7
Impact of interest rate swaps	(137.0)	137.0	-	-
Financial liability exposure to interest rate risk	(24.2)	201.7	1,870.2	2,047.7

Floating interest rates on Sterling borrowings are linked to the UK bank rate, LIBOR and money market rates. The floating rates are fixed in advance for periods generally ranging from one to six months. Short term flexibility is achieved through the use of overdraft, committed and uncommitted bank facilities. The weighted average interest rate for floating rate borrowings in 2017 was 3.7% (2016: 3.6%).

US Dollar denominated private placement notes of £61.6m (2016: £60.0m) were arranged at fixed interest rates and exposed the Group to fair value interest rate risk. The weighted average interest rate for fixed rate US Dollar denominated private placement notes, after the effect of foreign exchange rate swaps, for 2017 was 8.2% (2016: 8.2%) with, at 30 June 2017, a weighted average period of 0.2 years (2016: 1.2 years) for which the rate is fixed.

Sensitivity analysis

In the year ended 30 June 2017, if UK interest rates had been 0.5% higher/lower, (considered to be a reasonably possible change) and all other variables were held constant, the Group's pre-tax profit would increase/decrease by £0.9m (2016: £0.1m), the Group's post-tax profit would increase/decrease by £0.7m (2016: £nil) and the Group's equity would increase/decrease by £0.7m (2016: £nil).

5.4.2.2 Foreign exchange rate risk

As at 30 June 2017, the Group had fixed rate US Dollar denominated private placement notes of US$80.0m (2016: US$80.0m). In order to mitigate risks associated with the movement in the foreign exchange rate the Group has entered into foreign exchange swap arrangements all of which are designated as cash flow hedges, which fully hedge the principal of its US Dollar denominated debt and the US Dollar interest payments.

Details of the Group's foreign exchange swaps are provided in note 5.3.2.

5.4.3 Credit risk

In the majority of cases, the Group receives cash upon legal completion for private sales and receives advance stage payments from registered providers for affordable housing. Included within trade and other receivables is £64.1m (2016: £48.8m) due from the Homes and Communities Agency in respect of the Help to Buy scheme. Since this receivable is due from a UK Government agency, the Group considers that this receivable has an insignificant risk of default. Other than this, the Group has no significant concentration of credit risk, as its exposure is spread over a large number of counterparties and customers.

The Group manages credit risk in the following ways:

- The Group has a credit policy that is limited to financial institutions with high credit ratings, as set by international credit rating agencies, and has a policy determining the maximum permissible exposure to any single counterparty.
- The Group only contracts derivative financial instruments with counterparties with which the Group has an ISDA Master Agreement in place. These agreements permit net settlement, thereby reducing the Group's credit exposure to individual counterparties.

The maximum exposure to any counterparty at 30 June 2017 was £140.0m (2016: £144.4m) of cash on deposit with a financial institution.

5.4.4 Capital risk management (cash flow risk)

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and meet its liabilities as they fall due whilst maintaining an appropriate capital structure.

The Group manages its share capital as equity, as set out in the Statement of Changes in Shareholders' Equity; and its bank borrowings (being overdrafts, loan notes and bank loans) and its private placement notes as other financial liabilities.

The Group is subject to the prevailing conditions of the UK economy and the quantum of the Group's earnings are dependent upon the level of UK house prices. UK house prices are determined by the UK economy and economic conditions including employment levels, interest rates, consumer confidence, mortgage availability and competitor pricing. The management of these operational risks is set out in the principal risks and uncertainties in note 7.5.

In addition, the other methods by which the Group can manage its short term and long term capital structure include: adjusting the level of dividends and special cash payments paid to shareholders (assuming the Group is paying a dividend or a special cash payment); issuing new share capital; arranging debt to meet liability payments; and selling assets to reduce debt.

5.5 Share capital

5.5.1 Ordinary share capital

	2017 **£m**	2016 £m
Allotted and issued ordinary shares:		
10p each fully paid: 1,007,899,274 ordinary shares (2016: 1,003,607,066)	**100.8**	100.4

Options over the Company’s shares granted during the year	2017 number	2016 number
Options granted:		
LTPP	**2,594,923**	1,880,862
Sharesave	**2,671,967**	1,782,338
CFO Scheme	-	121,880
DBP	**520,442**	305,468
	5,787,332	4,090,548

Allotment of shares during the year	2017 number	2016 number
At 1 July	**1,003,607,066**	995,452,663
Issued to satisfy early exercises under Sharesave schemes	**115,153**	106,614
Issued to satisfy exercises under matured Sharesave schemes	**1,297,729**	1,968,683
Issued to satisfy vesting of LTPP awards	**2,126,790**	4,620,159
Issued to satisfy exercises under the DBP	**712,296**	1,458,947
Issued to the EBT to satisfy future exercises	**40,240**	–
At 30 June	**1,007,899,274**	1,003,607,066

5.5.2 Own shares reserve

The own shares reserve represents the cost of shares in Barratt Developments PLC purchased in the market or issued by the Company and held by the Barratt Developments Employee Benefit Trust on behalf of the Company in order to satisfy options and awards that have been granted under the Barratt Developments PLC Executive, CFO and Senior Management Share Option Plans, the LTPP and the DBP. These ordinary shares do not rank for dividend and do not count in the calculation of the weighted average number of shares used to calculate earnings per share until such time as they are vested to the relevant employee.

	2017	2016
Ordinary shares in the Company held in the EBT (number)	**1,170,233**	1,367,707
Market value of shares held in the EBT at 563.5p (2016: 405.4p) per share	**£6,594,263**	£5,544,684

During the year the EBT purchased 664,653 shares in the market and disposed of 902,367 shares in settlement of exercises under the Senior Management Share Option Plan 2009/10, the SMIS and the CFO Scheme. A further 2,879,326 shares were issued to the EBT at par, of which 2,839,086 were used to satisfy the vesting of the 2013 LTPP and the 2013 DBP.

Section 6 – Directors and employees

6.1 Retirement benefit obligations

The Group operates defined contribution and defined benefit pension schemes.

6.1.1 Defined contribution schemes

The Group operates defined contribution retirement benefit schemes for all qualifying employees, under which it pays contributions to an independently administered fund. Contributions are based upon a fixed percentage of the employee’s pay and once these have been paid, the Group has no further obligations under these schemes.

	2017 £m	2016 £m
Contributions during the year		
Group defined contribution schemes Consolidated Income Statement charge	**8.2**	8.4

At the balance sheet date, there were outstanding contributions of £0.9m (2016: £0.6m), which were paid on or before the due date.

6.1.2 Defined benefit scheme

Defined benefit pension scheme - The Directors engage a qualified independent actuary to calculate the Group's asset in respect of its defined benefit pension scheme. In calculating this asset, it is necessary for actuarial assumptions to be made, which include estimations of discount rates, salary and pension increases, price inflation, the long term rate of return upon scheme assets and mortality. As actual rates of increase and mortality may differ from those assumed, the pension liability/asset may differ from that included in these condensed consolidated financial statements. The sensitivities regarding the principal assumptions used to measure the Scheme liabilities are set out in the note below.

The Group operates a funded defined benefit pension scheme in Great Britain, the Barratt Group Pension & Life Assurance Scheme (the 'Scheme'), which, with effect from 30 June 2009, ceased to offer future accrual of defined benefit pensions. Alternative defined contribution pension arrangements are in place for current employees.

The Scheme provides benefits to members based on their length of service and their salary in the final years leading up to retirement or date of ceasing active accrual if earlier. The Group operates the Scheme under the UK regulatory framework, with a legally separate fund that is Trustee administered. The Trustees are responsible for ensuring that the Scheme is sufficiently funded to meet current and future benefit payments and for the investment policy with regard to scheme assets.

The Trustees must agree a funding plan with the Group such that any funding shortfall is expected to be met by additional contributions and investment performance. In order to assess the level of contributions, triennial valuations are carried out using prudent assumptions.

The most recent full actuarial valuation of the Scheme was carried out at 30 November 2016. The results of this valuation have been updated to 30 June 2017 by a qualified independent actuary. The Group agreed with the Trustees of the Scheme to make contributions to the Scheme of £14.5m per annum from 1 July 2017 until 31 March 2020 (with the increase backdated to 1 April 2017 paid in July 2017) to address the Scheme's actuarial deficit. The Group also continues to meet the Scheme's administration expenses and Pension Protection Fund levy.

At the balance sheet date, there were outstanding contributions of £2.0m (2016: £0.8m).

The Scheme exposes the Group to a number of risks, the most significant being:

Risk	Description
Volatile asset returns	The defined benefit obligation ('DBO') is calculated using a discount rate set with reference to high quality corporate bond yields. If assets underperform this discount rate, this will create a plan deficit. The Scheme holds a proportion of its assets in equities and other growth assets which are expected to outperform corporate bonds in the long term. However, returns are likely to be volatile in the short term, potentially resulting in short term cash requirements and an increase in the defined benefit obligation recorded on the Balance Sheet. The allocation to growth assets is monitored to ensure it remains appropriate given the Scheme's long term objectives.
Changes in bond yields	A decrease in corporate bond yields will increase the funding and accounting liabilities, although this will be partially offset by an increase in the value of the Scheme's investments in corporate and government bonds.
Inflation risk	A significant proportion of the DBO is indexed in line with price inflation, with higher inflation leading to higher liabilities.
Life expectancy	The majority of the Scheme's obligations are to provide a pension for the life of each of the members, so increases in life expectancy will result in an increase in the liabilities.

For the purposes of calculating the accounting costs and obligations of the Scheme, the assets of the defined benefit scheme have been calculated at fair (bid) value. The liabilities of the Scheme have been calculated at each balance sheet date using the following assumptions:

Principal actuarial assumptions	2017	2016
Weighted average assumptions to determine benefit obligations		
Discount rate	**2.60%**	2.90%
Rate of price inflation	**3.21%**	2.80%
Weighted average assumptions to determine net cost		
Discount rate	**2.90%**	3.80%
Rate of price inflation	**2.80%**	3.30%

Members are assumed to exchange 19% of their pension for cash on retirement. The assumptions have been chosen by the Group following advice from Mercer Limited, the Group's actuarial advisers.

The following table illustrates the life expectancy for an average member on reaching age 65, according to the mortality assumptions used to calculate the Scheme liabilities:

Assumptions	Male	Female
Retired member born in 1952 (life expectancy at age 65)	23.3 years	25.2 years
Non-retired member born in 1972 (life expectancy at age 65)	24.8 years	26.7 years

The base mortality assumptions are based upon the S2PA (2016: S1NA) mortality tables with an adjustment to allow for the Scheme members being treated as if they are 1.5 years younger than the population of the S2PA mortality tables. Allowance for future increases in life expectancy is made in line with the CMI 2016 projections with a long term trend of 1.25% per annum (2016: CMI 2015 projection with a long term trend of 1.25% per annum).

The sensitivities regarding the principal assumptions used to measure the Scheme liabilities are set out below:

		Increase in scheme liabilities	
Assumptions	**Change in assumption**	**£m**	**%**
Discount rate	Decrease by 0.1%	8.0	2.0
Rate of inflation	Increase by 0.1%	4.3	1.1
Life expectancy	Increase by 1 year	16.2	4.1

The amounts recognised in the Consolidated Income Statement were as follows:

	2017 **£m**	2016 £m
Interest cost	**11.1**	13.6
Interest income	**(11.5)**	(14.0)
Total pension income recognised in net finance costs in the Consolidated Income Statement	**(0.4)**	(0.4)
Total pension income recognised in the Consolidated Income Statement	**(0.4)**	(0.4)

The amounts recognised in the Group Statement of Comprehensive Income were as follows:

	2017 **£m**	2016 £m
Expected return less actual return on Scheme assets	**(20.1)**	(34.9)
Loss arising from changes in the assumptions underlying the present value of benefit obligations	**24.5**	43.9
Total pension cost recognised in the Group Statement of Comprehensive Income	**4.4**	9.0

The amount included in the Group Balance Sheet arising from obligations in respect of the Scheme is as follows:

	2017 **£m**	2016 £m
Present value of funded obligations	**397.2**	405.4
Fair value of Scheme assets	**(410.8)**	(413.5)
Surplus for funded Scheme/net asset recognised in the Group Balance Sheet at 30 June	**(13.6)**	(8.1)

	2017 **£m**	2016 £m
Net asset for defined benefit obligations at 1 July	**(8.1)**	(5.3)
Contributions paid to the Scheme	**(9.5)**	(11.4)
Income recognised in the Consolidated Income Statement	**(0.4)**	(0.4)
Amounts recognised in the Group Statement of Comprehensive Income	**4.4**	9.0
Net asset for defined benefit obligations at 30 June	**(13.6)**	(8.1)

A deferred tax liability of £2.6m (2016: £1.6m) has been recognised in the Group Balance Sheet in relation to the pension asset.

Movements in the present value of defined benefit obligations were as follows:

	2017 £m	2016 £m
Present value of benefit obligations at 1 July	**405.4**	367.5
Interest cost	**11.1**	13.6
Actuarial loss	**24.5**	43.9
Benefits paid from Scheme	**(43.8)**	(19.6)
Present value of benefit obligations at 30 June	**397.2**	405.4

Movements in the fair value of Scheme assets were as follows:

	2017 £m	2016 £m
Fair value of Scheme assets at 1 July	**413.5**	372.8
Interest income	**11.5**	14.0
Actuarial gain on Scheme assets	**20.1**	34.9
Employer contributions	**9.5**	11.4
Benefits paid from Scheme	**(43.8)**	(19.6)
Fair value of Scheme assets at 30 June	**410.8**	413.5

The analysis of Scheme assets was as follows:

		2017		2016
	£m	%	£m	%
Quoted equity securities	**102.4**	**24.9**	96.3	23.3
Debt securities	**307.1**	**74.8**	315.8	76.4
Other	**1.3**	**0.3**	1.4	0.3
Total	**410.8**	**100.0**	413.5	100.0

The fair values of the Scheme assets in the above table are measured in accordance with level 1 as defined in note 5.3.3 of the Annual Report and Accounts.

The actual return on Scheme assets was as follows:

	2017 £m	2016 £m
Actual return on Scheme assets	**31.6**	48.9

The expected employer contribution to the Scheme in the year ending 30 June 2018 is £15.3m.

The Group has obtained legal advice on the rights to the Group's defined benefit pension scheme's assets after the death of the last member. Based on this advice, the Group has concluded that it is appropriate to recognise an asset related to this scheme.

Section 7 – Contingencies, related parties, post balance sheet events and principal risks

7.1 Contingent liabilities

7.1.1 Contingent liabilities related to subsidiaries

Certain subsidiary undertakings have commitments for the purchase of trading stock entered into in the normal course of business.

In the normal course of business, the Group has given counter-indemnities in respect of performance bonds and financial guarantees. Management estimate that the bonds and guarantees amount to £464.1m (2016: £482.0m), and confirm that at the date of these condensed consolidated financial statements the possibility of cash outflow is considered minimal and no provision is required.

As previously disclosed in the Group's Financial Statements following correspondence with an industry wide final salary pension scheme, there is a risk of an obligation arising in respect of pension scheme funding pursuant to Section 75 of the Pensions Act 1995 for employees of a subsidiary who left the Group following disposal of its business and assets. The Directors consider that whilst it is increasingly probable that a liability could result in the future; at present the amount of any such provision cannot be reliably estimated given the fundamental uncertainties underlying any such calculation. No provision has been recognised in relation to this matter as at 30 June 2017.

The Group is currently engaging with legal and professional advisors in its efforts to understand the position of the Trustees and how they might reach a reliable estimate of any potential liability. The Court determination scheduled to take place in late spring was deferred by the Trustees following advice from a Scottish QC. It still remains difficult to predict how long the Trustees will take to calculate any liability and when the debt notices will be served. At this point the Group will be able to re-consider its options in respect of any obligation arising in this matter. Therefore disclosure on this matter is made in accordance with note 7.1.3 below.

7.1.2 Contingent liabilities related to joint ventures and associates

The Group has given counter-indemnities in respect of performance bonds and financial guarantees to its joint ventures totalling £62.5m at 30 June 2017 (2016: £56.5m). The Group has also provided principal guarantees of £9.0m (2016: £9.0m) and cost and interest overrun guarantees in relation to the borrowings of a number of the Group's London joint ventures. At 30 June 2017, no cost or interest overruns had been incurred (2016: £nil). The Group's maximum exposure under these cost and interest overrun guarantees is estimated at £18.1m as at 30 June 2017 (2016: £17.7m).

At 30 June 2017, the Group has an obligation to repay £0.9m (2016: £0.9m) of grant monies received by a joint venture upon certain future disposals of land.

The Group has also given a number of performance guarantees in respect of the obligations of its joint ventures, requiring the Group to complete development agreement contractual obligations in the event that the joint ventures do not perform as required under the terms of the related contracts.

There are no contingent liabilities in relation to associates at 30 June 2017.

7.1.3 Contingent liabilities related to legal claims

Provision is made for the Directors' best estimate of all known material legal claims and all legal actions in progress. The Group takes legal advice as to the likelihood of success of claims and actions and no provision is made (other than for legal costs) where the Directors consider, based on such advice, that claims or actions are unlikely to succeed, or a sufficiently reliable estimate of the potential obligations cannot be made.

No contingent liability in respect of such claims has been recognised.

7.2 Related party transactions

7.2.1 Remuneration of key personnel

Disclosures related to the remuneration of key personnel as defined in IAS 24 'Related Party Disclosures' will be provided in the 2017 Annual Report and Accounts.

7.2.2 Transactions between the Group and its joint ventures

The Group has entered into transactions with its joint ventures in respect of development management/other services (with charges made based on the utilisation of these services) and funding. These transactions totalled £10.1m (2016: £14.3m) and £1.8m (2016: £1.3m) respectively. In addition, one of the Group's subsidiaries, BDW Trading Limited, contracts with a number of the Group's joint ventures to provide construction services.

During the year the Group received dividends totalling £85.1m (2016: £28.1m) from its joint ventures.

The Group has made loans of £174.9m (2016: £84.9m) to its joint ventures which are included within Group investments accounted for using the equity method. The amount of other outstanding payables to the Group from its joint ventures at 30 June 2017 totalled £9.1m (2016: £0.4m).

The amount of outstanding loans and other amounts due from the Group to its joint ventures totalled £1.2m (2016: £47.6m).

The Group's contingent liabilities relating to its joint ventures are disclosed in note 7.1.2.

7.2.3 Transactions between the Group and its associates

The amount of outstanding loans due to the Group from its associates at 30 June 2017 was £nil (2016: £nil). There were no other amounts outstanding to the Group from its associates as at 30 June 2017.

The Group's contingent liabilities relating to its associates are disclosed in note 7.1.2.

7.2.4 Property purchase by a Director of Barratt Developments PLC

The Board and certain members of Senior Management are related parties within the definition of IAS 24 (Revised) ‘Related Party Disclosures’ (‘IAS 24’) and the Board are related parties within the definition of Chapter 11 of the UK Listing Rules (‘Chapter 11’).

The Group entered into the following transaction which, for the purposes of IAS 24 is considered to be a ‘related party transaction’.

In June 2016 David Thomas notified the Board of his, and his connected person’s intention to buy one property each at the BDW Trading Limited site at Cane Hill Park. The Company’s shareholders approved the transactions at the 2016 AGM and further details of the transactions, which have completed during the year ended 30 June 2017, will be provided in the 2017 Annual Report and Accounts.

There have been no ‘smaller related party transactions’ as defined in Listing Rule 11.1.10R for the year ended 30 June 2017 or in the year ended 30 June 2016.

7.3 Post balance sheet events

On 22 August 2017 the Company issued a Sterling US Private Placement (USPP) of £200m. This issuance has a 10 year maturity with a fixed coupon of 2.77%.

In addition, on 22 August 2017 the Company, utilising the break clause, cancelled the £25.0m 2022 interest rate swap at fair value.

On 23 August 2017 the Group repaid its US$80.0m USPP which had a fixed rate of 8.14%.

7.4 Statutory accounts

The condensed consolidated financial statements for the year ended 30 June 2017 have been approved by the Directors and prepared in accordance with International Financial Reporting Standards (‘IFRS’) as issued by the International Accounting Standards Board (‘IASB’), International Financial Reporting Interpretations Committee (‘IFRIC’) interpretations and Standing Interpretations Committee (‘SIC’) interpretations as adopted and endorsed by the European Union (‘EU’).

Barratt Developments PLC's 2017 Annual Report and Accounts will be circulated to shareholders in October 2017 and will be made available on its website www.barrattdevelopments.co.uk at that point. The financial information set out herein does not constitute the Company's statutory accounts for the year ended 30 June 2017 (as defined in Sections 434 and 436 of the Companies Act 2006) but is derived from the 2017 Annual Report and Accounts and the accounts contained therein. Statutory accounts for 2017 will be delivered to the Registrar of Companies following the Company's Annual General Meeting which will be held on 15 November 2017. The auditor has reported on these accounts; their report was unqualified and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006.

The comparative figures for the year ended 30 June 2016 are not the Company's statutory accounts for the financial year but are derived from those accounts which have been reported on by the Company's auditor and which were delivered to the Registrar of Companies. The 2016 report of the auditor is unqualified and does not contain statements under Section 498 (2) or (3) of the Companies Act 2006.

Whilst the financial information included in this Annual Results Announcement has been prepared in accordance with IFRS, this announcement does not itself contain sufficient information to comply with IFRS as adopted for use in the EU.

7.5 Principal risks and uncertainties

Our performance is subject to a number of risks. The Board has conducted a robust assessment of the principal risks facing the business. Whilst the principal risks for the Group related to the execution of its business strategy have not fundamentally changed, the likelihood of the risk factors occurring can change.

The principal risks are set out in the table below.

Risk	**A: Economic environment, including housing demand and mortgage availability**	**B: Land purchasing**	**C: Liquidity**
Potential impact	Changes in the UK and European macroeconomic environments, including but not limited to, flat or negative economic growth, inflation, interest rates, buyer confidence, mortgage availability, Government backed schemes, competitor pricing, falls in house prices or land values, may lead to a falling demand or lower price achieved for houses, which in turn could result in impairments of the Group's inventories, goodwill and intangible assets.	The ability to secure sufficient consented land and strategic land options at an appropriate cost and quality to provide profitable growth.	Unavailability of sufficient borrowing facilities to enable the servicing of liabilities (including pension funding) and the inability to refinance facilities as they fall due, obtain surety bonds, or comply with borrowing covenants. Furthermore, there are risks from management of working capital such as conditional contracts, build costs, joint ventures and the cash flows related to them.
Mitigation	Board, Executive Committee, regional and divisional management reviews Quarterly site valuations Comprehensive sales policies and regular review of pricing, local markets and developing good working relationships with mortgage lenders	All potential land acquisitions are subject to formal appraisal and approval by the Land Committee Group, regional and divisional review of land currently owned, committed and identified against requirements	Committed bank facilities and private placement notes of around £900m with maturity on the RCF in 2021 and the private placement notes in 2027 Regular forecasts of working capital and cash requirements and compliance with banking covenants Policy requiring minimum headroom of £150m of drawings against committed facilities
The opportunity	The majority of our customers require mortgages to purchase their new home. Buyer confidence, the availability of mortgages and mortgage interest rates are affected by the economic environment.	Securing more sites that at least meet our hurdle rates of a minimum 20% gross margin and 25% site ROCE will enable disciplined volume growth.	Availability of sufficient committed and surety facilities ensures that the Group can manage changes in the economic environment and take advantage of appropriate land buying and operational opportunities to help deliver sustainable shareholder value.

Risk	**D: Attracting and retaining high-calibre employees**	**E: Availability of raw materials, sub-contractors and suppliers**	**F: Government regulation and planning policy**
Potential impact	The ability to recruit and/or retain employees with the appropriate skills or sufficient numbers of such employees.	Shortages or increased costs of materials and skilled labour, the failure of a key supplier or the inability to secure supplies upon appropriate credit terms could increase costs and delay construction.	Inability to adhere to the increasingly stringent and complex regulatory environment, including planning and technical requirements and time taken to obtain planning approval affects the housing market and generally the regulatory requirements.
Mitigation	Comprehensive Human Resources programme including apprenticeship schemes, a graduate development programme, succession planning and training academies tailored to each discipline Ongoing monitoring of employee turnover and absence statistics and feedback from exit interviews Annual employee engagement survey to measure employee satisfaction Remuneration benchmarking against industry competitors	Centralised team procures the majority of the Group's materials from within the UK including sub-contractor materials, ensuring consistent quality and costs Seek to establish and maintain long term supplier and sub-contractor partnerships with all of our significant supply agreements fixed in advance, usually for 12 months Establishing a key supplier audit programme to assess risks to the reliability of supply continuity Group policies include tendering, the requirement for multiple suppliers for both labour contracts and material supplies and establish contingency plans should any key supplier fail	Considerable in-house technical and planning expertise focused on complying with regulations and achieving implementable planning consents that meet local requirements Robust and rigorous design standards for the homes and places we develop Policies and technical guidance manuals for employees on regulatory compliance and the standards of business conduct expected Consultation with Government agencies, membership of industry groups to help understand and monitor proposed regulation change
The opportunity	Development of skilled employees is critical to deliver the Group's strategy of disciplined growth, improving key financial metrics through a focus on efficiency and the continued delivery of attractive cash returns.	Maintaining sufficient material and skilled sub-contractor availability will enable disciplined volume growth.	Securing sufficient, appropriate planning permissions upon new sites will enable the Group to deliver disciplined volume growth.

Risk	G: Construction and new technologies	H: Joint ventures and consortia	I: Safety, health and environmental	J: IT
Potential impact	Failure to identify and achieve key construction milestones, due to factors including the impact of adverse weather conditions, identify cost overruns promptly, design and construction defects, and exposure to environmental liabilities, which could delay construction, increase costs, reduce selling prices and result in litigation and uninsured losses. There are also risks associated with climate change and the use of new technology in the build process e.g. materials related to carbon reduction.	Large development projects, some of which involve joint ventures or consortia arrangements and/or commercial developments, are complex and capital intensive and changes may negatively impact upon cash flows or returns.	Health and safety or environmental breaches can result in injuries to employees, sub-contractors and site visitors, causing potential reputational damage, criminal prosecution and civil litigation, delays in construction or increased costs.	Failure of any of the Group's IT systems in particular those relating to surveying and valuation, could adversely impact the performance of the Group.
Mitigation	Executive Committee, regional and divisional reviews and quarterly site valuations Continuous review of MMC and the quality of materials which are evaluated by external and internal technical experts, including the NHBC, to ensure compliance with all building and other regulations Monitoring and improving environmental and sustainability impact of construction methods and materials used Maintenance of appropriate insurance cover	All potential joint ventures are subject to formal appraisal and approval by the Group's Land Committee and the Board Once operational, the performance of joint ventures and consortia are subject to regular review	Internally resourced health and safety team Regular health and safety monitoring by our in-house team, internal and external audits of all operational units and regular Senior Management reviews of developments Continual reinforcement of Group health and safety and environmental policies and procedures Dedicated SHE Board and Operations Committees which review key performance indicators, improvement plans and reinforce the importance of health, safety and environmental compliance	Centrally maintained IT systems Fully-tested disaster recovery programme Regular reviews to seek to reduce the risk of successful cyber-attacks Working with external specialists and consultants on a detailed GDPR compliance programme
The opportunity	Assessing of MMC and implementing where appropriate to reduce the risks inherent in the construction process and to help address the shortage of skilled employees and sub-contractors.	Securing more joint venture sites that at least meet our hurdle rates enables disciplined volume growth and engaging with joint ventures to assist in reducing and sharing risks on complex, capital intensive, bespoke and commercial developments.	Continue to prioritise and focus upon health and safety to seek to reduce injury rates and manage the risks inherent in the construction process.	Improve integration of IT systems to enhance business control and drive efficiency.

Statement of Directors' Responsibilities

Financial Statements and accounting records

The Directors are responsible for preparing the Annual Report and Accounts including the Directors' remuneration 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. The Directors are required by the International Accounting Standards Regulation (the 'IAS Regulation') to prepare the Group Financial Statements under International Financial Reporting Standards as adopted by the European Union ('IFRS') and have also elected to prepare the Parent Company Financial Statements in accordance with IFRS. The Financial Statements are also required by law to be properly prepared in accordance with the Companies Act 2006 and Article 4 of the IAS Regulation. Under the Disclosure and Transparency Rules, the Directors must not approve the Accounts 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.

International Accounting Standard 1 requires that Financial Statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Fair, balanced and understandable

The Board considers, on the advice of the Audit Committee, that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Directors' responsibility statement

The Directors confirm that, to the best of each person's knowledge:

a) the Group and Parent Company Financial Statements in the Annual Report and Accounts, which have been prepared in accordance with IFRS, Standing Interpretation Committee interpretations as adopted and endorsed by the European Union, International Financial Reporting Interpretations Committee interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and of the Group taken as a whole; and
b) the Annual Report and Accounts includes a fair review of the development and performance of the business and the position of the Company and the Group taken as a whole, together with a description of the principal risks and uncertainties they face.

By order of the Board

David Thomas	Jessica White
Chief Executive	Chief Financial Officer
5 September 2017	5 September 2017

Glossary

Active outlet	A site with at least one plot for sale
AGM	Annual General Meeting
ASP	Average selling price
Building for Life 12	This is the industry standard, endorsed by the Government, for well-designed homes and neighbourhoods that local communities, local authorities and developers are invited to use to stimulate conversations about creating good places to live
CMI	The actuarial profession's Continuous Mortality Investigation
DBO	Defined Benefit Obligation
DBP	Deferred Bonus Plan
EBT	Barratt Developments Employee Benefit Trust
EU	European Union
FRC	Financial Reporting Council
FY	Refers to the financial year ended 30 June
GDPR	General Data Protection Regulation
Gross margin	Gross profit divided by total revenue
HBF	Home Builders Federation
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
ISDA	International Swaps and Derivatives Association
JV's	Joint ventures
LIBOR	The London Interbank Offered Rate
LTPP	Long Term Performance Plan
MMC	Modern methods of construction
Net cash	Net cash / debt is defined as cash and cash equivalents, bank overdrafts, interest bearing borrowings and foreign exchange swaps
Net tangible assets	Group net assets less other intangible assets and goodwill
NHBC	National House Building Council
OHSAS	Occupational Health and Safety Management Systems
Operating margin	Profit from operations divided by revenue
PEFC	The Programme for the Endorsement of Forest Certification
RCF	Revolving Credit Facility
ROCE	Return on capital employed (‘ROCE’) is calculated as earnings before interest, tax, operating charges relating to the defined benefit pension scheme and operating adjusting or exceptional items, divided by average net assets adjusted for goodwill and intangibles, tax, cash, loans and borrowings, retirement benefit assets/obligations and derivative financial instruments
Sharesave	Savings-Related Share Option Scheme
SHE	Safety, Health and the Environment
SIC	Standing Interpretations Committee
Site ROCE	Site ROCE on land acquisition is calculated as site operating profit (site trading profit less overheads less allocated administrative overheads) divided by average investment in site land, work in progress and equity share
SMIS	Senior Manager Incentive Scheme
the Scheme	The Barratt Group Pension & Life Assurance Scheme
Total completions	Unless otherwise stated total completions quoted include JV's