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# **BROADGATE CITY LIMITED**

## **Annual Report and Accounts**

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**Year ended 31 March 2000**

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**Company number : 1769078**

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**BROADGATE CITY LIMITED**  
**REPORT OF THE DIRECTORS**  
**for the year ended 31 March 2000**

The directors present their Report and Accounts for the year ended 31 March 2000.

**Change of name**

The company was re-registered as a limited company on 28 March 2000.

**Principal activity**

The principal activity of the company is that of property investment.

The subsidiaries held by the company are listed in note 7 to the accounts. Consolidated accounts are not presented as the company takes advantage of the exemption afforded by Section 228 of the Companies Act 1985.

**Results and dividends**

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend (1999 - £Nil).

**Review of business and prospects**

The activities and prospects of this and other group companies are reviewed in the Chairman's Statement and Operating and Financial Review of The British Land Company PLC, the ultimate holding company.

Details of significant events since the balance sheet date are contained in note 20 of the accounts.

**Directors**

The directors who served during the year were:

J H Ritblat  
J H Weston Smith  
S L Kalman (resigned 16 July 1999)  
N S J Ritblat  
S Adam

The directors' interests in the share and loan capital of the company are set out in note 12 to the accounts.

**Statement of directors' responsibilities**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. 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.

**BROADGATE CITY LIMITED**  
**REPORT OF THE DIRECTORS**  
**for the year ended 31 March 2000**

**Year 2000**

Issues regarding the impact of the Year 2000 have been discussed in the accounts of the ultimate holding company.

**Auditors**

The auditors, Arthur Andersen, are willing to continue in office, and a resolution to reappoint them will be proposed at the Annual General Meeting..

This report was approved by the Board on 25 AUGUST 2000



P.C. Clarke  
Secretary

10 Cornwall Terrace  
Regent's Park  
London  
NW1 4QP

**BROADGATE CITY LIMITED**  
**REPORT OF THE AUDITORS**  
**for the year ended 31 March 2000**

**To the Shareholders of Broadgate City Limited**

We have audited the accounts on pages 4 to 15 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 1, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 2000 and of the company's results for year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen**  
Chartered Accountants and Registered Auditors

1 Surrey Street  
London  
WC2R 2PS

25 August 2000

**BROADGATE CITY LIMITED**

**PROFIT AND LOSS ACCOUNT  
for the year ended 31 March 2000**

|   | Note      | Revenue<br>£    | 2000<br>Capital<br>£ | Total<br>£       | Revenue<br>£     | 1999<br>Capital<br>£ | Total<br>£         |
|---|-----------|-----------------|----------------------|------------------|------------------|----------------------|--------------------|
| <b>Turnover</b>   |           |                 |                      |                  |                  |                      |                    |
| Rental income   |           | 431,858         | -                    | 431,858          | 9,827,342        | -                    | 9,827,342          |
|   |           | <u>431,858</u>  | <u>-</u>             | <u>431,858</u>   | <u>9,827,342</u> | <u>-</u>             | <u>9,827,342</u>   |
| Cost of turnover  |           | (116,038)       | -                    | (116,038)        | (24,325)         | -                    | (24,325)           |
| <b>Gross profit (loss)</b>                                  | <b>2</b>  | <u>315,820</u>  | <u>-</u>             | <u>315,820</u>   | <u>9,803,017</u> | <u>-</u>             | <u>9,803,017</u>   |
| <b>Operating profit (loss)</b>                              |           | <u>315,820</u>  | <u>-</u>             | <u>315,820</u>   | <u>9,803,017</u> | <u>-</u>             | <u>9,803,017</u>   |
| Disposal of properties                                      |           | -               | 6,278,540            | 6,278,540        | -                | (8,740,000)          | (8,740,000)        |
| Interest receivable   |           |                 |                      |                  |                  |                      |                    |
| External - unlisted   |           | 532             | -                    | 532              | -                | -                    | -                  |
| Interest payable  |           |                 |                      |                  |                  |                      |                    |
| Group   |           | -               | -                    | -                | (7,792,961)      | -                    | (7,792,961)        |
| External - other  |           | -               | -                    | -                | (2,493)          | -                    | (2,493)            |
| <b>Profit (loss) on ordinary activities before taxation</b> | <b>3</b>  | <u>316,352</u>  | <u>6,278,540</u>     | <u>6,594,892</u> | <u>2,007,563</u> | <u>(8,740,000)</u>   | <u>(6,732,437)</u> |
| Taxation  | <b>5</b>  | <u>(43,920)</u> | <u>-</u>             | <u>(43,920)</u>  | <u>227,354</u>   | <u>-</u>             | <u>227,354</u>     |
| <b>Profit (loss) after taxation</b>                         |           | <u>272,432</u>  | <u>6,278,540</u>     | <u>6,550,972</u> | <u>2,234,917</u> | <u>(8,740,000)</u>   | <u>(6,505,083)</u> |
| <b>Retained profit (loss) for the year</b>                  | <b>13</b> | <u>272,432</u>  | <u>6,278,540</u>     | <u>6,550,972</u> | <u>2,234,917</u> | <u>(8,740,000)</u>   | <u>(6,505,083)</u> |

Turnover and results are derived from continuing operations in the United Kingdom.

The accompanying notes on pages 7 to 15 form part of these accounts.

**BROADGATE CITY LIMITED**

**TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 31 March 2000**

|  | Revenue<br>£   | 2000<br>Capital<br>£ | Total<br>£       | Revenue<br>£     | 1999<br>Capital<br>£ | Total<br>£         |
|--|----------------|----------------------|------------------|------------------|----------------------|--------------------|
| Profit (loss) for the financial year     | 272,432        | 6,278,540            | 6,550,972        | 2,234,917        | (8,740,000)          | (6,505,083)        |
| Revaluation of properties                | -              | 113,000              | 113,000          | -                | 109,000              | 109,000            |
| <b>Total recognised gains and losses</b> | <b>272,432</b> | <b>6,391,540</b>     | <b>6,663,972</b> | <b>2,234,917</b> | <b>(8,631,000)</b>   | <b>(6,396,083)</b> |

**HISTORICAL COST PROFITS AND LOSSES**  
**for the year ended 31 March 2000**

|   |                |                  |                  |                  |                  |                   |
|---|----------------|------------------|------------------|------------------|------------------|-------------------|
| Profit (loss) before taxation                   | 316,352        | 6,278,540        | 6,594,892        | 2,007,563        | (8,740,000)      | (6,732,437)       |
| Realisation of prior year revaluations          | -              | -                | -                | -                | 17,000,000       | 17,000,000        |
| <b>Historical cost profit (loss) before tax</b> | <b>316,352</b> | <b>6,278,540</b> | <b>6,594,892</b> | <b>2,007,563</b> | <b>8,260,000</b> | <b>10,267,563</b> |
| <br>Retained historical cost profit (loss)      | <br>272,432    | <br>6,278,540    | <br>6,550,972    | <br>2,234,917    | <br>8,260,000    | <br>10,494,917    |

The accompanying notes on pages 7 to 15 form part of these accounts.

**BROADGATE CITY LIMITED**

**BALANCE SHEET**  
**as at 31 March 2000**

|  | Note | £                 | 2000 | £                 | £                  | 1999 | £                 |
|--|------|-------------------|------|-------------------|--------------------|------|-------------------|
| <b>Fixed assets</b>                          |      |                   |      |                   |                    |      |                   |
| Investment properties                        | 6    |                   |      | 3,065,000         |                    |      | 3,263,609         |
| Investments                                  | 7    |                   |      | 1,125,602         |                    |      | 1,125,102         |
| Loans to group companies                     | 7    |                   |      | -                 |                    |      | -                 |
|  |      |                   |      | <u>4,190,602</u>  |                    |      | <u>4,388,711</u>  |
| <b>Current assets</b>                        |      |                   |      |                   |                    |      |                   |
| Debtors                                      | 8    | 81,960,307        |      |                   | 194,559,166        |      |                   |
|  |      | <u>81,960,307</u> |      |                   | <u>194,559,166</u> |      |                   |
| <b>Creditors due within one year</b>         | 9    | 307,401           |      |                   | 119,768,341        |      |                   |
|  |      |                   |      |                   |                    |      |                   |
| <b>Net current assets (liabilities)</b>      |      |                   |      | <u>81,652,906</u> |                    |      | <u>74,790,825</u> |
| <b>Total assets less current liabilities</b> |      |                   |      | <u>85,843,508</u> |                    |      | <u>79,179,536</u> |
| <b>Creditors due after one year</b>          |      |                   |      |                   |                    |      |                   |
| Provisions for liabilities and charges       | 10   | -                 |      | -                 | -                  |      | -                 |
|  |      |                   |      |                   |                    |      |                   |
| <b>Net assets (liabilities)</b>              |      |                   |      | <u>85,843,508</u> |                    |      | <u>79,179,536</u> |
| <b>Capital and reserves</b>                  |      |                   |      |                   |                    |      |                   |
| Called up share capital                      | 11   |                   |      | 1,000,000         |                    |      | 1,000,000         |
| Share premium                                | 13   |                   |      | -                 |                    |      | -                 |
| Capital reserves                             |      |                   |      |                   |                    |      |                   |
| - Realised                                   | 13   |                   |      | 14,538,540        |                    |      | 8,260,000         |
| - Revaluation                                | 13   |                   |      | 222,000           |                    |      | 109,000           |
| - Other - unrealised                         | 13   |                   |      | -                 |                    |      | -                 |
| Profit and loss account                      | 13   |                   |      | 70,082,968        |                    |      | 69,810,536        |
|  |      |                   |      | <u>85,843,508</u> |                    |      | <u>79,179,536</u> |
| <b>Shareholders' funds</b>                   | 13   |                   |      | <u>85,843,508</u> |                    |      | <u>79,179,536</u> |

Non-equity interests are stated in note 19.

The accounts were approved by the Board on 25 AUGUST 2000 and signed on its behalf by:

  
J H Weston Smith

S Adam  
Directors



The accompanying notes on pages 7 to 15 form part of these accounts.

**BROADGATE CITY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**1. Accounting policies**

The principal accounting policies are summarised below. They have been applied consistently throughout the current and the preceding year.

The accounts have been prepared using a computer system. This is designed to cover a wide variety of companies and circumstances. As a result some notes may not be relevant for this company and so may be intentionally left blank.

**Accounting basis**

The accounts are prepared in accordance with applicable Accounting Standards and under the historical cost convention as modified by the revaluation of investment properties and fixed asset investments.

The company has taken advantage of the exemption from preparing consolidated accounts afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of another company. Group accounts which include the company, for The British Land Company PLC are publicly available (see note 21).

The company is also, on this basis, exempt from the requirement of FRS 1 to present a cash flow statement.

**Turnover**

Turnover represents rental income receivable, net of VAT.

**Properties**

*Investment properties* are independently valued each year on an open market basis. Any surplus or deficit arising is transferred to revaluation reserve, unless a deficit is expected to be permanent, in which case it is charged to the profit and loss account. The profit on disposal is based on book value.

In accordance with Statement of Standard Accounting Practice 19 no amortisation or depreciation is provided in respect of freehold or long leasehold properties. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view. The financial effect of the departure from these rules cannot reasonably be quantified as depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified. Where properties held for investment are appropriated to trading stock, they are transferred at market value.

**Investments**

Fixed asset investments are stated at market value when listed and at directors' valuation when unlisted. Any surplus or deficit arising on revaluation is taken to the revaluation reserve, unless a deficit is expected to be permanent, in which case it is charged to the profit and loss account.

Current asset investments are stated at the lower of cost and net realisable value.

Investments in subsidiaries are stated at cost or directors' valuation.

**Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

On disposal of an investment property the element of tax relating to the current year capital profit is charged to the profit and loss account and the element relating to earlier revaluation surpluses is included in the statement of total recognised gains and losses.

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

**BROADGATE CITY LIMITED**

**NOTES TO THE ACCOUNTS  
for the year ended 31 March 2000**

|                               | 2000<br>£      | 1999<br>£        |
|-------------------------------|----------------|------------------|
| <b>2. Gross profit (loss)</b> |                |                  |
| Net rental income             | 315,820        | 9,803,017        |
| Fees and commissions          | -              | -                |
| Other trading income          | -              | -                |
|                               | <u>315,820</u> | <u>9,803,017</u> |

**3. Profit (loss) on ordinary activities before taxation**

|  | 2000<br>£ | 1999<br>£ |
|--|-----------|-----------|
| Profit (loss) on ordinary activities before taxation is stated after charging (crediting): |           |           |
| Amortisation and depreciation  | -         | -         |
| Auditors' remuneration for audit services  | -         | -         |
| Operating lease rentals  | -         | -         |
|  | <u>-</u>  | <u>-</u>  |

Amounts payable to Arthur Andersen and their associates by the company in respect of non-audit services were £Nil (1999 - £Nil).

**4. Staff costs**

|                       | 2000<br>£ | 1999<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | -         | -         |
| Social security costs | -         | -         |
| Pension costs         | -         | -         |
|                       | <u>-</u>  | <u>-</u>  |

No director received any remuneration for services to the company in either period.

Average number of employees, including directors, of the company during the year was Nil (1999 - Nil).

**5. Taxation**

|                                       | 2000<br>£     | 1999<br>£        |
|---------------------------------------|---------------|------------------|
| UK corporation tax                    | 43,920        | (1,814,596)      |
| Deferred tax                          | -             | -                |
| Adjustments in respect of prior years |               |                  |
| - UK corporation tax                  | -             | 1,587,242        |
| - Deferred tax                        | -             | -                |
|                                       | <u>43,920</u> | <u>(227,354)</u> |

**BROADGATE CITY LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**6. Investment properties**

|                                       | Freehold<br>£    | Long<br>leasehold<br>£ | Short<br>leasehold<br>£ | Total<br>£       |
|---------------------------------------|------------------|------------------------|-------------------------|------------------|
| <b>Cost and valuation</b>             |                  |                        |                         |                  |
| 1 April 1999                          | 2,952,000        | 311,609                | -                       | 3,263,609        |
| Additions                             | -                | (149)                  | -                       | (149)            |
| Group transfers                       | -                | (311,460)              | -                       | (311,460)        |
| Revaluation surplus (deficit)         | 113,000          | -                      | -                       | 113,000          |
| <b>31 March 2000</b>                  | <u>3,065,000</u> | <u>-</u>               | <u>-</u>                | <u>3,065,000</u> |
| <b>Amortisation and depreciation</b>  |                  |                        |                         |                  |
| 1 April 1999                          | -                | -                      | -                       | -                |
| External disposals                    | -                | -                      | -                       | -                |
| Group transfers                       | -                | -                      | -                       | -                |
| Charge to revenue                     | -                | -                      | -                       | -                |
| <b>31 March 2000</b>                  | <u>-</u>         | <u>-</u>               | <u>-</u>                | <u>-</u>         |
| <b>Net book value</b>                 |                  |                        |                         |                  |
| <b>31 March 2000</b>                  | <u>3,065,000</u> | <u>-</u>               | <u>-</u>                | <u>3,065,000</u> |
| 1 April 1999                          | <u>2,952,000</u> | <u>311,609</u>         | <u>-</u>                | <u>3,263,609</u> |
| <b>Analysis of cost and valuation</b> |                  |                        |                         |                  |
| <b>31 March 2000</b>                  |                  |                        |                         |                  |
| Cost                                  | 2,843,000        | -                      | -                       | 2,843,000        |
| Revaluation                           | 222,000          | -                      | -                       | 222,000          |
| <b>Net book value</b>                 | <u>3,065,000</u> | <u>-</u>               | <u>-</u>                | <u>3,065,000</u> |
| 1 April 1999                          |                  |                        |                         |                  |
| Cost                                  | 2,843,000        | 311,609                | -                       | 3,154,609        |
| Revaluation                           | 109,000          | -                      | -                       | 109,000          |
| <b>Net book value</b>                 | <u>2,952,000</u> | <u>311,609</u>         | <u>-</u>                | <u>3,263,609</u> |

Properties were externally valued at 31 March 2000 by Weatherall Green & Smith, Chartered Surveyors, on the basis of open market value in accordance with the Appraisal and Valuation Manual published by The Royal Institution of Chartered Surveyors.

Properties charged to secure borrowings of the ultimate holding company are stated in note 14.

Capitalised interest is stated in note 15.

# BROADGATE CITY LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 March 2000

### 7. Investments and loans to group companies

|                                 | Shares in<br>subsidiaries<br>£ | Other<br>investments<br>-unlisted<br>£ | Total<br>£       | Loans to<br>Group<br>companies<br>£ |
|---------------------------------|--------------------------------|--|------------------|-------------------------------------|
| At cost or directors' valuation |                                |  |                  |                                     |
| 1 April 1999                    | 1,125,102                      | -                                      | 1,125,102        | -                                   |
| Additions                       | -                              | 500                                    | 500              | -                                   |
| Disposals                       | -                              | -                                      | -                | -                                   |
| Revaluation                     | -                              | -                                      | -                | -                                   |
| 31 March 2000                   | <u>1,125,102</u>               | <u>-</u>                               | <u>1,125,602</u> | <u>-</u>                            |
| At cost                         |                                |  |                  |                                     |
| 31 March 2000                   | <u>1,125,102</u>               | <u>500</u>                             | <u>1,125,602</u> | <u>-</u>                            |
| 1 April 1999                    | <u>1,125,102</u>               | <u>-</u>                               | <u>1,125,102</u> | <u>-</u>                            |

#### Subsidiaries

The company has investments in the following subsidiaries. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

|                                       | Activity                              |
|---------------------------------------|---------------------------------------|
| Broadgate Square Limited              | Property Investment                   |
| Four Broadgate Limited                | Property Investment                   |
| Six Broadgate Limited                 | Property Investment                   |
| Reboline Limited                      | Property Investment                   |
| Broadgate Investment Holdings Limited | Investment Holding                    |
| Broadgate Property Management Limited | Estate Management & Property Services |
| Broadgate (AMA) Limited               | Dormant                               |

These companies are wholly owned and are registered and operate in England and Wales.

#### Investment in associated company

During the year the company acquired 500 shares of £1 each, at par, being 50% of the issued share capital of Acrebasic Limited, a company engaged in property investment in the United Kingdom.

| Summary                      | 2000<br>£        | 1999<br>£        |
|------------------------------|------------------|------------------|
| Shares in subsidiaries       | 1,125,102        | 1,125,102        |
| Shares in associated company | <u>500</u>       | <u>-</u>         |
|                              | <u>1,125,602</u> | <u>1,125,102</u> |

BROADGATE CITY LIMITED

NOTES TO THE ACCOUNTS  
for the year ended 31 March 2000

|                                 | 2000<br>£         | 1999<br>£          |
|---------------------------------|-------------------|--------------------|
| <b>8. Debtors</b>               |                   |                    |
| Trade debtors                   | 360               | -                  |
| Other debtors                   | (1)               | 18,176             |
| Amounts owed by group companies |                   |                    |
| - current accounts              | 80,145,352        | 192,726,394        |
| Corporation tax                 | 1,814,596         | 1,814,596          |
|                                 | <u>81,960,307</u> | <u>194,559,166</u> |

**9. Creditors due within one year**

|                                    |                |                    |
|------------------------------------|----------------|--------------------|
| Trade creditors                    | 568            | 176,378            |
| Amounts owed to group companies    |                |                    |
| - current accounts                 | -              | 119,353,905        |
| Corporation tax                    | 238,401        | 194,481            |
| Other taxation and social security | 24,736         | -                  |
| Accruals and deferred income       | 43,696         | 43,577             |
|                                    | <u>307,401</u> | <u>119,768,341</u> |

**BROADGATE CITY LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**10. Provision for liabilities and charges**

|               | Sinking<br>funds<br>£ |
|---------------|-----------------------|
| 1 April 1999  | -                     |
| Additions     | -                     |
| 31 March 2000 | -                     |

**11. Share capital**

|                                      | 2000<br>£        | 1999<br>£        |
|--------------------------------------|------------------|------------------|
| <b>Authorised</b>                    |                  |                  |
| 5,000,000 ordinary shares of £1 each | 5,000,000        | 5,000,000        |
|                                      | <u>5,000,000</u> | <u>5,000,000</u> |
| <b>Allotted and fully paid</b>       |                  |                  |
| 1,000,000 ordinary shares of £1 each | 1,000,000        | 1,000,000        |
|                                      | <u>1,000,000</u> | <u>1,000,000</u> |

**BROADGATE CITY LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**12. Directors' interests in share and loan capital**

No director held a beneficial interest in the share capital of the company. The directors set out on page 1 are also directors of The British Land Company PLC and, as such, their interests in the share and loan capital, including share options, of that company are shown in the accounts of the ultimate holding company.

**BROADGATE CITY LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**13. Reconciliation of movements in shareholders' funds**

|                             | Share<br>capital<br>£ | Share<br>premium<br>£ | Capital<br>reserve<br>- realised<br>£ | Capital<br>reserve<br>- revaluation<br>£ | Capital<br>reserve<br>- other<br>unrealised<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>£ |
|-----------------------------|-----------------------|-----------------------|---------------------------------------|--|--|------------------------------------|------------|
| Opening shareholders' funds | 1,000,000             | -                     | 8,260,000                             | 109,000                                  | -  | 69,810,536                         | 79,179,536 |
| Retained profit (loss)      | -                     | -                     | 6,278,540                             | -  | -  | 272,432                            | 6,550,972  |
| Revaluation of properties   | -                     | -                     | -                                     | 113,000                                  | -  | -                                  | 113,000    |
| Closing shareholders' funds | 1,000,000             | -                     | 14,538,540                            | 222,000                                  | -  | 70,082,968                         | 85,843,508 |

**BROADGATE CITY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2000**

**14. Secured properties**

Properties valued at £Nil (1999 - £Nil) were charged to secure borrowings of the ultimate holding company.

**15. Capitalised interest**

The cumulative interest capitalised on the development of properties is £Nil (1999 - £Nil).

**16. Capital commitments**

The company had capital commitments contracted at 31 March 2000 of £Nil (1999 - £30.0m).

**17. Contingent liabilities**

In the event of the realisation of properties at book value the liability for tax, after available reliefs at 31 March 2000 is estimated at £0.4m (1999 - £0.3m).

The company is jointly and severally liable with the ultimate holding company, and fellow subsidiaries for all monies falling due under the group VAT registration.

**18. Related parties**

The company has taken advantage of the exemption granted to 90% subsidiaries not to disclose transactions with group companies under the provisions of Financial Reporting Standard 8.

John Ritblat, Chairman of the ultimate holding company, has a 5.226% interest in Delancey Estates Plc which is the holding company of Colliers Conrad Ritblat Erdman who are the company's managing agents and as such receive fees for their services.

**19. Non-equity interests**

Shareholders' funds includes non-equity interests of £Nil (1999 - £Nil).

**20. Subsequent events**

There have been no significant events since the year end.

**21. Ultimate holding company**

The immediate parent company is Union Property Corporation.

The ultimate holding company is The British Land Company PLC, which is registered in England and Wales. Group accounts for this company are available on request from 10 Cornwall Terrace, Regent's Park, London NW1 4QP.