
Broadgate Circle Management Limited

Annual Report and Accounts

Year ended 31 March 2012

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Company number. 1881630

Broadgate Circle Management Limited

REPORT OF THE DIRECTORS for the year ended 31 March 2012

The directors present their Annual Report and audited Accounts for the year ended 31 March 2012

Business review and principal activities

The company is a part of a group of companies whose ultimate holding company is Bluebutton Properties Limited (Jersey Registered). Bluebutton Properties Limited operates as a joint venture between The British Land Company PLC and BRE/Brick Limited. The joint venture was formed on 3 November 2009. The company's principal activity is that of estate management and provision of property services in the United Kingdom (UK).

As shown in the company's profit and loss account on page 4 the turnover is consistent with the prior year as are the company's expenses.

The Balance Sheet on page 5 of the financial statements shows that the company's financial position at the year end is consistent with the prior year.

The company's directors believe that further key performance indicators for the joint venture, which includes the company, are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Joint venture is discussed in the group's Annual Report which does not form part of this report.

There were no significant events since the balance sheet date.

Principal risks and uncertainties

This company is part of a large property investment group. As such, the fundamental underlying risks for this company are those of the property group as discussed below.

The company generates returns to shareholders through long-term investment decisions requiring the evaluation of opportunities arising in the following areas:

- demand for space from occupiers against available supply,
- differential pricing for premium locations and buildings,
- alternative use for buildings,
- demand for returns from investors in property, compared to other asset classes,
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values,
- price differentials for capital to finance the business,
- legislative changes, including planning consents and taxation, and
- construction pricing and programming.

These opportunities also represent risks, the most significant being change to the value of the property portfolio. This risk has high visibility to senior executives and is considered and managed on a continuous basis. Executives use their knowledge and experience to knowingly accept a measured degree of market risk.

Going Concern

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due. As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the current economic climate. Accordingly, they believe the going concern basis is an appropriate one.

Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the company's activities. The company operates in accordance with best practice policies and initiatives designed to minimise the company's impact on the environment. These include safe disposal of manufacturing waste, recycling and reducing energy consumption.

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 (2011 - £Nil).

Broadgate Circle Management Limited
REPORT OF THE DIRECTORS (continued)
for the year ended 31 March 2012

Directors

The directors who served throughout the year were, except as noted

S M Barzycki

L M Bell

M Pinsent

T A Roberts

N M Webb

G C Roberts - Resigned 30 6 2011

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with 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.

Payments policy

In the absence of dispute, amounts due to trade and other suppliers are settled as expeditiously as possible within their terms of payment.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that

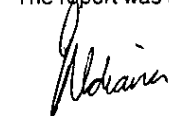
- (a) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- (b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have indicated their willingness to continue in office and will be re-appointed at the end of the next period for appointing auditors as defined by s485(2) of the Companies Act 2006.

The report was approved by the Board on 19 December 2012



N Ekpo

Secretary

York House
45 Seymour Street
London W1H 7LX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
Broadgate Circle Management Limited
for the year ended 31 March 2012

We have audited the financial statements of Broadgate Circle Management Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

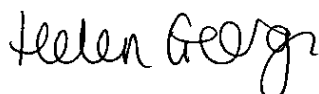
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Helen George, ACA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

19 December 2012

Broadgate Circle Management Limited

**PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2012**

	Note	2012 £'000	2011 £'000
Turnover			
Fees and commissions	1	2,343	2,212
Cost of sales		(2,343)	(2,212)
Profit (loss) on ordinary activities before taxation	2	<u>-</u>	<u>-</u>
Taxation	4	-	-
Result for the financial year	8	<u><u>-</u></u>	<u><u>-</u></u>

Turnover and results are derived from continuing operations in the United Kingdom. The company has only one significant class of business.

There were no recognised gains or losses other than those reported above, consequently a statement of recognised gains and losses has not been presented.

Broadgate Circle Management Limited

**BALANCE SHEET
as at 31 March 2012**

	Note	2012 £'000	2011 £'000
Current assets			
Debtors	5	791	1,146
Cash at bank		685	881
		<hr/> 1,476	<hr/> 2,027
Creditors due within one year	6	(1,463)	(2,014)
		<hr/>	<hr/>
Net current assets		13	13
		<hr/>	<hr/>
Net assets		<hr/> 13	<hr/> 13
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	13	13
Profit and loss account	8	-	-
		<hr/>	<hr/>
Shareholders' funds	8	<hr/> 13	<hr/> 13
		<hr/>	<hr/>

The financial statements of Broadgate Circle Management Limited, company number 1881630, were approved by the Board of Directors on 19 December 2012 and signed on its behalf by

M Pinsent
Director



Broadgate Circle Management Limited

Notes to the accounts for the year ended 31 March 2012

1 Accounting policies

The principal accounting policies adopted by the directors are summarised below. They have been applied consistently throughout the current and previous year.

Accounting basis

The financial statements are prepared in accordance with applicable United Kingdom law and Accounting Standards and under the historical cost convention.

Basis of Preparation

Having reviewed the company's forecast working capital and cash flow requirements, in addition to making enquiries and examining areas which could give risk to financial exposure, the directors have a reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future. As a result they continue to adopt the going concern basis in preparing the accounts.

Cash flow statement

The company is exempt under FRS 1 (Revised) from preparing a cashflow statement.

Turnover

Turnover represents service charges and fees receivable from estate management, net of VAT, and is recognised on an accruals basis.

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Broadgate Circle Management Limited

**Notes to the accounts
for the year ended 31 March 2012**

2 Profit (loss) on ordinary activities before taxation

A charge of £3,600 (2011 £1,320) per company is deemed payable to Deloitte LLP in respect of the audit of the financial statements. Actual amounts payable to Deloitte LLP are paid at group level by Bluebutton Properties UK Limited on behalf of the company.

3 Staff costs	2012 £'000	2011 £'000
Wages and salaries	-	-
Social security costs	-	-
Pension costs	-	-
	<u>-</u>	<u>-</u>

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

Average number of employees, including directors, of the company during the year was Nil (2011 - Nil).

4 Taxation	2012 £'000	2011 £'000
Current tax		
UK corporation tax	-	-
Adjustments in respect of prior years	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Prior year items	-	-
Total taxation (effective tax rate – 0.0%, 2011 – 0.0%)	<u>-</u>	<u>-</u>

Tax reconciliation

Profit on ordinary activities before taxation	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities at UK corporation tax rate 26% (2011 - 28%)	-	-
Effects of		
Capital allowances	-	-
Tax losses and other timing differences	-	-
Expenses not deductible for tax purposes	-	-
Adjustments in respect of prior years	-	-
Current tax charge	<u>-</u>	<u>-</u>

From April 2012, the headline rate of corporation tax reduced from 26% to 25%, with further 1% reductions expected each year until a rate of 23% is in place by April 2014, as declared in the 2011 Budget Announcement.

Broadgate Circle Management Limited

**Notes to the accounts
for the year ended 31 March 2012**

5 Debtors	2012 £'000	2011 £'000
Trade debtors	52	417
Other debtors	414	377
Amounts owed by group companies	38	-
Other taxation and social security	20	-
Prepayments and accrued income	267	352
	<u>791</u>	<u>1,146</u>

6 Creditors due within one year	2012 £'000	2011 £'000
Trade creditors	41	22
Other taxation and social security	-	50
Accruals and deferred income	1,422	1,942
	<u>1,463</u>	<u>2,014</u>

There is no interest charged on these balances

7 Share capital	2012 £'000	2011 £'000
Authorised		
6,695 'A' ordinary shares of £1 each	7	7
5,730 'B' ordinary shares of £1 each	6	6
8,300 'C' ordinary shares of £1 each	8	8
1,520 'E' ordinary shares of £1 each	2	2
5,410 'F' ordinary shares of £1 each	5	5
10,700 'G' ordinary shares of £1 each	11	11
11,180 'I' ordinary shares of £1 each	11	11
	<u>50</u>	<u>50</u>
Allotted, called up and fully paid		
6,695 'A' ordinary shares of £1 each called up to the extent of 25 pence each	2	2
5,730 'B' ordinary shares of £1 each called up to the extent of 25 pence each	1	1
8,300 'C' ordinary shares of £1 each called up to the extent of 25 pence each	2	2
1,520 'E' ordinary shares of £1 each called up to the extent of 25 pence each	1	1
5,410 'F' ordinary shares of £1 each called up to the extent of 25 pence each	1	1
10,700 'G' ordinary shares of £1 each called up to the extent of 25 pence each	3	3
11,180 'I' ordinary shares of £1 each called up to the extent of 25 pence each	3	3
	<u>13</u>	<u>13</u>

The 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H' and 'I' ordinary shares rank pari passu as regards dividends, distributions and voting

Broadgate Circle Management Limited

Notes to the accounts for the year ended 31 March 2012

8 Reconciliation of movements in shareholders' funds and reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
Opening shareholders' funds	13	-	13
Retained profit (loss) for the year	-	-	-
Closing shareholders' funds	13	-	13

9 Related parties

The company has taken advantage of the exemption granted to 100% subsidiaries not to disclose transactions with group companies under the provisions of Financial Reporting Standard 8 (revised)

10 Contingent liabilities

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

11 Ultimate holding company

The immediate beneficial ownership of the company is shared between

Bluebutton Properties UK Limited	32.5%
Bluebutton (12702) Limited	32.3%
Bluebutton (5 Broadgate) UK Limited	35.2%
	<u>100.0%</u>

Bluebutton Properties UK Limited is the smallest and largest group for which group accounts are available and which include the company

The ultimate holding company is Bluebutton Properties Limited (Jersey Registered), a joint venture between The British Land Company PLC and BRE/Brick Limited

The accounts of Bluebutton Properties UK Limited can be obtained from The British Land Company PLC, York House, 45 Seymour Street, London W1H 7LX