

Broadgate Estates Limited

Directors' Report And Accounts
for the year ended 31st March 1997

Registered number: 2366959



Broadgate Estates Limited

Directors' report

For the year ended 31st March 1997

The directors present their report, together with the accounts and auditors' report, for the year ended 31st March 1997.

Principal activity

The principal activities of the Company are estate management and the provision of property services.

Business review

The Company is a subsidiary of Broadgate Properties Plc. The activities of the Broadgate Properties Plc group are reviewed in the Directors' Report of that company.

Results and dividends

The accounts show the state of the Company's financial affairs. No dividend is recommended.

Directors and their interests in share capital

The directors of the Company who served during the year were as follows:

S. Adam

A.W. Adams (appointed 22nd November 1996)

N.J.C. Bates (resigned 16th May 1996)

R. S. Flood

M.I. Gunston (appointed 22nd November 1996)

J.H. Iddiols (appointed 22nd November 1996)

Mrs A. M. Penman

J. Sutherland

B. C. Winfield

R. L. Fisher was appointed a director of the company on 1st April 1997.

No Director held a beneficial interest in the share capital of the Company. The beneficial interests of the directors in the share capital of the ultimate holding company are:

	Options Over Ordinary Shares					
	Fully paid ordinary shares		1984 Option Scheme		Share Save Scheme	
	01.04.96	31.03.97	01.04.96	31.03.97	01.04.96	31.03.97
A. W. Adams	4,452	4,739	39,905	39,905	11,546	11,546
M. I. Gunston	35,694	37,539	161,567	105,209	11,546	11,546
J. H. Iddiols	20,490	22,438	129,228	79,738	11,546	11,546

Broadgate Estates Limited

Directors' report

For the year ended 31st March 1997

During the year, Mr M. I. Gunston and Mr J. H. Iddiols exercised options in respect of 56,358 shares and 49,490 shares respectively. There were no further options granted.

Statement of directors' responsibilities

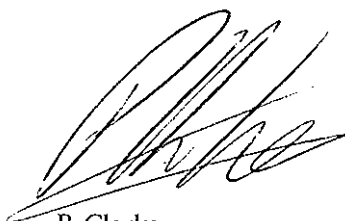
The directors are required to prepare financial statements which comply with the Companies Act 1985, on a going concern basis (unless inappropriate) and which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit for that period. In preparing these financial statements suitable accounting policies consistently applied and supported by reasonable and prudent judgements and estimates and applicable accounting standards have been followed.

The directors are also responsible for ensuring that proper and adequate accounting records have been maintained and that reasonable procedures have been followed for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

Auditors

Binder Hamlyn have indicated their willingness to continue in office and a resolution proposing their re-appointment as auditors of the Company will be put before the Annual General Meeting.

This report was approved by the board on 13th June 1997.



P. Clarke
Secretary

10 Cornwall Terrace
Regent's Park
London NW1 4QP

Broadgate Estates Limited

Auditors' report

For the year ended 31st March 1997

To the shareholders of Broadgate Estates Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the Company's state of affairs at 31st March 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Binder Hamlyn
Chartered Accountants and Registered Auditors
20 Old Bailey
London EC4M 7BH

13th June 1997

Broadgate Estates Limited

Profit and loss account

For the year ended 31st March 1997

	Note	Year ended 31st March 1997 £'000	Period from 1st October 1995 to 31st March 1996 £'000
TURNOVER	2	4,216	2,160
Cost of sales		3,724	1,980
OPERATING PROFIT		492	180
Interest receivable	3	72	30
Interest payable	4		1
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	564	211
Taxation charge		186	
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			
TRANSFERRED TO RESERVES		378	211

The Company's results all derive from continuing operations.

There were no recognised gains or losses other than the profit for the year and the preceding period.

Broadgate Estates Limited

Balance sheet

At 31st March 1997

	Note	31st March 1997 £'000	31st March 1996 £'000
CURRENT ASSETS			
Debtors	7	958	1,653
Cash at bank and in hand		1,916	587
		<u>2,874</u>	<u>2,240</u>
CREDITORS due within one year	8	1,947	1,691
NET ASSETS		<u>927</u>	<u>549</u>
CAPITAL AND RESERVES			
Called up share capital	9	13	13
Profit and loss account		914	536
SHAREHOLDERS' FUNDS	10	<u>927</u>	<u>549</u>



S. Adam



B.C. Winfield
Directors

Approved by the board on 13th June 1997

Broadgate Estates Limited

Notes to the accounts

For the year ended 31st March 1997

1. ACCOUNTING POLICIES

Accounting basis

The accounts are prepared in accordance with applicable Accounting Standards and under the historical cost convention.

Deferred taxation

Deferred taxation is calculated on the liability method but is not provided on timing differences which will probably not reverse.

2. TURNOVER

Turnover comprises service charges and fees receivable from estate management.

3. INTEREST RECEIVABLE

	1997 £'000	1996 £'000
Bank interest receivable	72	30

Bank interest receivable on cash advanced by tenants and landlords accrues to their benefit and not to the benefit of the Company.

4. INTEREST PAYABLE

During the previous period, Broadgate Properties Plc waived interest of £1,000 due from the Company which had been charged to the profit and loss account in prior periods.

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	1997 £'000	1996 £'000
Staff costs (see note 6)	2,064	961

Broadgate Estates Limited

Notes to the accounts

For the year ended 31st March 1997

6. STAFF COSTS

a) Particulars of staff costs (including executive directors) are shown below:

	1997 £'000	1996 £'000
Wages and salaries	1,791	869
Social security costs	157	78
Other pension costs	116	14
	<u>2,064</u>	<u>961</u>

The average number of persons employed by the Company during the period was 71 (1996 - 74).

Other pension costs shown above relate to contributions by the Company to certain employees' personal pension schemes.

b) Directors' remuneration

The remuneration of the directors of the Company during the period was as follows:

	1997 £'000	1996 £'000
Salaries and fees	253	100
Other emoluments (including pension contributions)	52	11
	<u>305</u>	<u>111</u>

The directors' remuneration shown above (excluding pension contributions) included:

	1997 £'000	1996 £'000
Chairman		
Highest paid director	<u>126</u>	<u>34</u>

Directors received emoluments (excluding pension contributions) in the following ranges:

	1997 No	1996 No
£nil - £5,000	5	5
£20,001 - £25,000		1
£25,001 - £30,000	1	2
£30,001 - £35,000		1
£55,001 - £60,000	1	
£70,001 - £75,000	1	
£125,001 - £130,000	<u>1</u>	

Broadgate Estates Limited

Notes to the accounts

For the year ended 31st March 1997

6. STAFF COSTS (continued)

Loans made to directors during the year, repayable in monthly instalments over 12 months were as follows:

	Balance outstanding as at 31st March 1997 £'000	Maximum balance outstanding during year £'000
J. Sutherland	4	4
R.S. Flood	2	3
B.C. Winfield		5

7. DEBTORS

	1997 £'000	1996 £'000
Trade debtors	569	1,305
Other debtors	79	31
Amounts owed by group companies	310	317
	<u>958</u>	<u>1,653</u>

8. CREDITORS due within one year

	1997 £'000	1996 £'000
Trade creditors	66	122
VAT	67	116
Social Security and PAYE	59	47
Taxation	186	
Amounts owed to group companies		12
Accruals and deferred income	1,569	1,394
	<u>1,947</u>	<u>1,691</u>

Broadgate Estates Limited

Notes to the accounts

For the year ended 31st March 1997

9. SHARE CAPITAL

	1997 £'000	1996 £'000
Authorised 100,000 ordinary shares of £1 each	100	100
Allotted, called up and partly paid 50,000 ordinary shares of £1 each, 25 pence paid	13	13

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £'000	1996 £'000
Profit for the year	378	211
Increase in shareholders' funds	378	211
Opening shareholders' funds	549	338
Closing shareholders' funds	927	549

11. 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.

12. HOLDING COMPANY

The Company is a subsidiary of Broadgate Properties Plc.

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