
Broadgate Estates Limited

Annual Report and Financial Statements

Year ended 31 March 2018



Company number: 2366959

Broadgate Estates Limited

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Year ended 31 March 2018

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Broadgate Estates Limited

STRATEGIC REPORT
Year ended 31 March 2018

The directors present their Strategic Report for the year ended 31 March 2018.

Principal activities

Broadgate Estates Limited, is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies.

The company's principal activities are estate management and the provision of property services in the United Kingdom.

Business Review

As shown in the company's profit and loss account on page 6, the company's revenue is £49.9m compared to a revenue of £43.2m in the prior year, an increase of 16%, reflecting new business. Profit before taxation was £0.7m, compared to a profit on ordinary activities before taxation of £1.9m in the prior year.

Dividends of nil (2017: £nil) were paid in the year.

The Balance Sheet on page 8 shows that net assets have increased from the prior year

The company is a subsidiary of The British Land Company PLC. The company's strategy is the same as the group's strategy – to deliver an above average annualised total return to shareholders, which is achieved by creating attractive environments in the right places focused around the people who work, shop and live in them.

The expected future developments of the company are determined by the strategy of the group. There are no future developments outside of the company's current operations planned.

For more information also see The British Land Company PLC group annual report. The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

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 British Land Company PLC group of companies 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;
- identification and execution of investment and development strategies which are value enhancing;
- availability of financing or refinancing at an acceptable cost;
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values;
- legislative changes, including planning consents and taxation;
- engagement of development contractors with strong covenants;
- key staff changes; and
- environmental and health and safety policies.

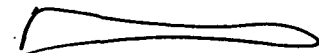
These opportunities also represent risks, the most significant being change to the value of the property portfolio. This risk has high visibility to senior executives and is considered and managed on a continuous basis. Executives use their knowledge and experience to knowingly accept a measured degree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

The British Land Company PLC group of companies' preference for prime assets and their secure long term contracted rental income, primarily with upward only rent review clauses, presents lower risks than many other property portfolios.

The company has no third party debt. It therefore has no interest rate exposure.

The financial risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group financial statements.

The report was approved by the Board on 21 December 2018 and signed by its order by:



M Manning
Director

Broadgate Estates Limited

DIRECTORS' REPORT **Year ended 31 March 2018**

The directors present their Annual Report and Financial Statements on the affairs of the company, together with the audited financial statements and the independent auditors' report for the year ended 31 March 2018.

Environment

Across the Group, The British Land Company PLC 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 group's activities. The company operates in accordance with the policies of the British Land Company PLC whose full corporate responsibility report is available online at www.britishland.com/sustainability/reports-and-publications/2018.

Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

A O Onagoruwa
J P D Sharpe (Appointed in 19/11/2017)
M Manning
M R Evans
N F Maclaine
R L Fisher
R Nield
X Walker
S Whyman (Resigned 13/07/2018)
S Handley (Resigned 05/09/2018)
P Plunkett-Checkemian (Resigned 21/09/2018)
L M Bell (Appointed 06/01/2017, resigned 13/11/2017)

Statement of directors' responsibilities in respect of the financial statements

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 the Companies Act 2006.

The directors 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.

Future Developments

The future developments of the company are set out in page 1.

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.

Subsequent Events

Details of significant events since the Balance Sheet date, if any, are contained in note 16.

Going Concern

The directors consider the company to be a going concern and the financial statements are prepared on this basis. Details of this are shown in note 1 of the financial statements.

Broadgate Estates Limited

DIRECTORS' REPORT (CONTINUED)

Year ended 31 March 2018

Staff numbers & costs

Average number of employees, including directors, of the company during the year was 345 (2017: 303)

Disclosure of information to the Auditors

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

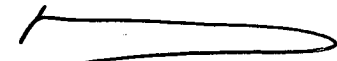
- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish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

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

Independent Auditors

PricewaterhouseCoopers LLP was appointed for the year end 31 March 2018. Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

The report was approved by the Board on 21 December 2018 and signed by order of the board.



M Manning
Director

Independent auditors' report to the members of Broadgate Estates Limited

Report on the audit of the financial statements

Opinion

In our opinion, Broadgate Estates Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2018; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Broadgate Estates Limited (CONTINUED)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Peter Jourdier (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

21 December 2018

Broadgate Estates Limited

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2018

	Note	2018	2017
		£	£
Revenue		49,938,581	43,174,479
Cost of sales		(31,816,210)	(26,854,901)
Gross profit		18,122,371	16,319,578
Administrative expenses		(17,520,039)	(14,688,058)
Profit from operations		602,332	1,631,520
Interest receivable and similar income	4	140,104	233,380
Profit on ordinary activities before taxation	2	742,436	1,864,900
Tax on profit on ordinary activities	5	(149,505)	(312,794)
Profit/(Loss) for the financial year		592,931	1,552,106

Broadgate Estates Limited

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2018

	2018 £	2017 £
Profit/(Loss) for the financial year	592,931	1,552,106
Total comprehensive income/(expense) for the year	<u>592,931</u>	<u>1,552,106</u>

The notes on pages 10 to 17 form part of these financial statements.

Broadgate Estates Limited**BALANCE SHEET
as at 31 March 2018**

	Note	2018	2017
		£	£
Fixed assets			
Investments	7	11,709	11,709
Tangible assets	8	2,521,717	2,870,417
		<u>2,533,426</u>	<u>2,882,126</u>
Current assets			
Debtors	9	14,781,282	14,236,378
Cash and deposits		12,131,678	8,870,829
		<u>26,912,960</u>	<u>23,107,207</u>
Creditors: amounts falling due within one year	10	(17,959,786)	(15,095,664)
Net current assets		<u>8,953,174</u>	<u>8,011,543</u>
Total assets less current liabilities		<u>11,486,600</u>	<u>10,893,669</u>
Net assets		<u><u>11,486,600</u></u>	<u><u>10,893,669</u></u>
Capital and reserves			
Called up share capital	12	12,500	12,500
Other reserves	13	-	-
Profit and loss account	13	11,474,100	10,881,169
Shareholder's funds		<u><u>11,486,600</u></u>	<u><u>10,893,669</u></u>

The financial statements of Broadgate Estates Limited, company number 2366959, were approved by the Board of Directors on 21 December 2018 and signed on its behalf by:



M Manning
Director

The notes on pages 10 to 17 form part of these financial statements.

Broadgate Estates Limited

STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2018

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
Balance as at 1 April 2016	12,500	9,329,063	9,341,563
Total comprehensive expense for the year	-	1,552,106	1,552,106
Balance as at 31 March 2017	<u>12,500</u>	<u>10,881,169</u>	<u>10,893,669</u>
Profit for the financial year	-	592,931	592,931
Total comprehensive income for the year	<u>-</u>	<u>592,931</u>	<u>592,931</u>
Balance as at 31 March 2018	<u><u>12,500</u></u>	<u><u>11,474,100</u></u>	<u><u>11,486,600</u></u>

The notes on pages 10 to 17 form part of these financial statements.

Broadgate Estates Limited

Notes to the financial statements Year ended 31 March 2018

General Information

Broadgate Estates Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is York House, 45 Seymour Street, London, W1H 7LX. The nature of the company's operations and its principal activities are set out in the business review on page 1. These financial statements are presented in GBP because that is the currency of the primary economic environment in which the company operates. These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of The British Land Company PLC.

1. Accounting policies

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

Basis of Preparation

These financial statements of the company have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The financial statements have been prepared under the historical cost convention.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company is a wholly-owned subsidiary of BL Residual Holding Company Limited and is included in the consolidated financial statements of The British Land Company PLC which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

These financial statements are separate financial statements. The ultimate parent company The British Land Company PLC is the smallest and largest group for which group financial statements are available and which include the company (see note 17).

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (f) The requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and
- (i) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to Disclose information of fair value valuation techniques and inputs.

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. When required, equivalent disclosures are given in the group financial statements of The British Land Company PLC. The group financial statements of The British Land Company PLC are available to the public and can be obtained as set out in note 17.

Broadgate Estates Limited

Notes to the financial statements (continued) **Year ended 31 March 2018**

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over its estimated useful life as follows:

Fixtures and fittings 10% per annum

Pensions

The amount charged to the profit and loss account in respect of defined contribution pension costs and other post-retirement benefit is the contribution payable in the year. Difference between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Going concern

The directors consider that the company has adequate resources to continue operating 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 in the current economic climate. Accordingly, it is appropriate to prepare the financial statements on a going concern basis.

Investments

Investments in subsidiaries are stated at the lower of cost and the underlying net asset value of the investments.

Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of trade receivables

Trade receivables are shown after deducting a provision for bad and doubtful debts. The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

Creditors

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and are recognised at cost.

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date. 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 provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

Revenue

Revenue arises on fees incurred in respect of estate management and the provision of property services and is recognised on an accruals basis, net of value added tax.

Interest

Interest is received on bank balances and credited to the profit and loss account.

Broadgate Estates Limited

Notes to the financial statements (continued)
Year ended 31 March 2018

2. Profit before taxation

The 2018 profit before taxation is stated after charging:

	2018	2017
	£	£
Operating lease rental charge	-	-
Depreciation charge	(350,000)	(350,000)

Audit fees of £13,100 (2017: £12,400 were paid to PricewaterhouseCoopers LLP in respect of the audit of the financial statements) are deemed payable to PricewaterhouseCoopers LLP in respect of the audit of the financial statements.

No non-audit fees (2017: £nil) were paid to PricewaterhouseCoopers LLP.

3. Staff costs

Average number of employees, including directors, of the company during the year was 345 (2017: 303)

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

	2018	2017
	£	£
Administration wages & salaries	8,014,911	15,643,007
Cost of sales wages & salaries	14,884,835	9,444,840
Social security costs	2,191,268	2,451,686
Pension costs	2,031,293	1,971,298
	<u>27,122,307</u>	<u>29,510,831</u>

b) Directors' remuneration

The remuneration of the directors of the company during the year was as follows:

	2018	2017
	£	£
Salaries and fees	1,893,600	2,389,255
Other emoluments (including pension contributions)	503,039	645,064
	<u>2,396,639</u>	<u>3,034,319</u>

Remuneration of the highest paid director:

	2018	2017
	£	£
Total emoluments	<u>430,546</u>	<u>579,400</u>

Loans made to directors during the year, repayable in monthly instalments over 12 months and at no interest, were as follows:

	Balance repayable at 31 March 2018	Balance repayable at 31 March 2017
	£	£
N F Maclaine	4,263	4,116
A O Onagoruwa	3,240	2,880
S Handley	4,059	
P Plunket-Checkemian	3,830	3,667
M R Evans	3,077	3,021
	<u>18,469</u>	<u>13,684</u>

Broadgate Estates Limited

Notes to the financial statements (continued)
Year ended 31 March 2018

4. Interest receivable

	2018	2017
	£	£
Bank interest receivable	140,104	233,380
Total interest receivable	140,104	233,380

5. Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax	163,432	421,847
Adjustments in respect of prior years	(39,134)	-
Total current taxation charge	124,298	421,847
Deferred tax		
Origination and reversal of timing differences	25,207	(109,053)
Total deferred tax charge	25,207	(109,053)
Total taxation charge	149,505	312,794
Tax reconciliation		
Profit on ordinary activities before taxation	742,436	1,864,900
Tax on profit on ordinary activities at UK corporation tax rate of 19% (2017: 20%)	141,063	372,980
Effects of:		
Capital allowances	(59,216)	(74,646)
Income not taxable	64,575	95,235
Transfer pricing adjustment	17,010	28,278
Adjustment in respect of prior year	(39,134)	-
Current tax charge	124,298	421,847

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using the enacted tax rates and reflected in these financial statements.

6. Dividends

	2018	2017
	£	£
Dividend received	-	-
Dividend declared	-	-

No dividends were declared during the year.

Broadgate Estates Limited

Notes to the financial statements (continued)
Year ended 31 March 2018

7. Investments

	Shares in subsidiaries £	Investment in Joint Ventures £	Total £
At cost or directors' valuation 31 March 2017	11,209	500	11,709
Net book value at 31 March 2018	11,209	500	11,709

Subsidiaries

The company has ordinary share investments in the following subsidiaries:

	Investment	Percentage Holding	Address
Broadgate Estates Retail Management Limited (in members voluntary liquidation)	Direct	100%	Lynton House 7-12 Tavistock Square, London, London, WC1H 9LT
Vicinitee Limited	Direct	100%	York House, 45 Seymour Street, London, W1H 7LX
Urban Estates Management Limited (in members voluntary liquidation)	Direct	100%	30 Finsbury Square, London, EC2P 2YU
Liverpool One Management Services Limited	Direct	100%	York House, 45 Seymour Street, London, W1H 7LX
Broadgate Estates People Management Limited	Direct	100%	York House, 45 Seymour Street, London, W1H 7LX
Comgenic Limited	Indirect	100%	York House, 45 Seymour Street, London, W1H 7LX
Liverpool One Management Company Limited	Joint Venture	50%	York House, 45 Seymour Street, London, W1H 7LX

These companies are all incorporated in the United Kingdom.

On 3rd August 2018 Liverpool One Management Services Limited and Liverpool One Management Company Limited were sold - see note 16.

8. Tangible fixed assets

	Fixtures and Fittings £
<u>Cost:</u>	
at 1 April 2017	3,453,750
Additions	1,300
Disposals	
<u>Accumulated Depreciation:</u>	
At 1 April 2017	(583,333)
Charge for the year	(350,000)
At 31 March 2018	(933,333)
<u>Net book value</u>	
At 31 March 2018	2,521,717
At 31 March 2017	2,870,417

Broadgate Estates Limited

Notes to the financial statements (continued)
Year ended 31 March 2018

9. Debtors

	2018	2017
	£	£
Current debtors (receivable within one year)		
Trade debtors	9,114,005	5,254,058
Amounts owed by group companies - current accounts (see note below)	3,598,843	7,096,177
Other debtors	1,968,754	1,761,256
Deferred tax (see note 11)	99,680	124,887
	<u>14,781,282</u>	<u>14,236,378</u>

Note: there are no fixed terms of repayment on amounts owed by group companies and no interest is charged.

10. Creditors: amounts falling due within one

	2018	2017
	£	£
Trade creditors	161,114	232,833
Amounts owed to group companies - current accounts (see note below)	322,864	322,864
Other taxation and social security	5,843,495	2,944,354
Accruals and deferred income	11,632,314	11,595,613
	<u>17,959,786</u>	<u>15,095,664</u>

Note: there are no fixed terms of repayment on amounts owed to group companies and no interest is due.

Broadgate Estates Limited

Notes to the financial statements (continued)
Year ended 31 March 2018

11. Deferred tax (liability)/asset

	2018	2017
	£	£
Deferred asset at 1 April 2017	124,887	15,834
Credited/(charged) to the profit and loss account	<u>(25,207)</u>	<u>109,053</u>
Deferred tax at 31 March 2018	<u>99,680</u>	<u>124,887</u>

The above deferred tax amount represents accelerated capital allowances only

12. Called up share capital

	2018	2017
	£	£
Authorised at 31 March		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and partly paid at 31 March	2018	2017
	£	£
50,000 ordinary shares of £1 each, called up to the extent of 25 pence each	<u>12,500</u>	<u>12,500</u>

13. Profit and loss account

Company	£
As at 1 April 2017	10,881,169
Total comprehensive income for the year	592,931
Dividends receivable in year	
As at 31 March 2018	<u>11,474,100</u>

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Profit and loss account	Cumulative net gains and losses recognised in the income statement

Broadgate Estates Limited

Notes to the financial statements (continued)

Year ended 31 March 2018

14. 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.

15. Related parties

The company has intercompany funding with its ultimate parent company, The British Land Company PLC and with its subsidiaries. The balance outstanding as at 31 March 2018 is shown in note 9 - Trade Debtors and other receivables and note 10 - Creditors. There is no interest charged on this balance.

For key management compensation see note 3.

16. Events after the reporting period

On 9 May 2018 the Company's ultimate holding company, The British Land Company Plc, announced that it had agreed to sell the third-party portfolio within its property management business, Broadgate Estates, to international real estate advisor Savills. A reasonable estimate of the financial effect on the Company cannot yet be made.

17. Immediate parent and ultimate holding company

The immediate parent company is BL Residual Holding Company Limited. The British Land Company PLC is the smallest and largest group for which group financial statements are available and which include the company.

The ultimate holding company is The British Land Company PLC, which is incorporated in the United Kingdom. Group financial statements for this company are available on request from York House, 45 Seymour Street, London, W1H 7LX.