Company Registration No. 02825044 (England and Wales)

BRUNTWOOD GROUP LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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For the Year Ended 30 September 2022

COMPANY INFORMATION
For the Year Ended 30 September 2022

DIRECTORS

C G Oglesby
K J Vokes

REGISTERED OFFICE

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COMPANY REGISTRATION NUMBER

02825044 (England and Wales)

AUDITOR

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BANKERS

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HSBC plc
Barclays plc
Santander UK plc
US Bank Inc

SOLICITORS

Addleshaw Goddard LLP, Manchester
Weightmans LLP, Liverpool

VALUERS

Knight Frank LLP
Jones Lang Lasselle

CHIEF EXECUTIVE'S REPORT
For the Year Ended 30 September 2022

In this year where Permacrisis was chosen as the Collins Dictionary's word of the year, I am delighted to announce yet another strong set of numbers for the Bruntwood Group. We are reporting Profit Before Tax of £75.2m (the second highest in our history) and a 10.7% increase in Net Worth to £671.5m. These results are testament to the resilience and flexibility of the business that we have created.

Permacrisis is an appropriate word against the economic backdrop of Brexit, Covid and now the cost of living crisis, yet we believe that the product that we have created and the high growth customers that we are attracting as we embrace and adapt to new ways of working will position us well against what is now looking like an inevitable recession.

During covid many commentators forecasted doom and gloom for the office sector as more people worked from home, but in reality covid simply amplified a trend of hybrid working that we were already seeing. Whereas working from home can be great for getting tasks done, and businesses can survive for a reasonable amount of time undertaking day to day transactions in this manner, the high growth companies were very quickly back to the office, realising that *companies only thrive and create a strong culture via the interaction of their people*, not just in a formal meeting capacity, but in those chance conversations that can only happen face to face. Bringing in and integrating new talent is almost impossible in a remote environment.

Collaborative working is the key to high growth and adaptability. Whereas we are working in a world where the majority of businesses are seeing their employees work from home at least once or twice a week, this is definitely focused on the start and the end of the week which means that mid-week peak occupancy has fallen very little. What is more, the majority of meetings are focused on those *mid-week days which has resulted in customers requiring* increasing amounts of meeting space, and the technology within that meeting space that can cater for hybrid meetings. Our Pioneer buildings, which have focused on high end amenity and co-mingling space are 100% let, with each new deal setting a record rent. At the most flexible end of our proposition, our coworking and serviced offices are also at record occupancy. Competitors such as WeWork did a huge amount to raise the bar in the levels of customer engagement, community and service levels now required in our industry, but whereas their model was unsustainable, our owner-led model is more genuine, sustainable and now significantly profitable.

The cost of living crisis will present its challenges. Increases in interest rates which the Bank of England deem necessary to control inflation, and increases in gilt rates demanded by the financial markets due to inflationary risk are beginning to put some pressure on valuation yields, and we have no doubt seen some fall off in values since our 30th September year end. However, as long as occupancy holds up as we remain at near record levels of employment, such inflationary pressures will at some point also feed through to increasing rents in order to make new-build profitable based on current build costs. We therefore believe that although there will be some short term pressure on values, that even if the 10 year gilt rate stabilises at its current levels, our valuation yields still look sensible and values will recover as inflation feeds through to rent expectations.

We are also thankful that during the ultra-low interest rate environment we had the foresight to enter into £273m of gilt-based financing which currently has 13 years unexpired, the gilt-rate on which it was priced is at one-third of current levels. This base of low, fixed rate funding against a longer term back-drop of rising rents is one that should deliver strong income returns for the business.

We remain focussed on our strategy to deliver our propositions in a way that supports crucial areas of the economy going forward. Our Bruntwood SciTech brand, our 50/50 joint venture with Legal and General, was established to attract businesses thriving in the growth sectors of the 4th Industrial Revolution, powered by science and technology and the provision of world class lab and office infastucture, along with specialist support within campuses and science parks, clustered around educational and health institutions. Increasingly the 100% owned Bruntwood Workscity centre innovation hubs are also attracting similar customers who want to be situated in CBD's (or often having a presence in both). The knowledge economy is taking centre stage within the UK's growth agenda and the market is changing as businesses seek the right environments to innovate, collaborate, attract talent and succeed where the individual needs of businesses are becoming more diverse. They are looking to the *cities they choose to locate in to provide support at a holistic connected city* ecosystem level, rather than solely in standalone ring fenced districts. We are seeing hubs of innovation emerge within cities who collaborate, interact and create larger like-minded communities at scale, providing opportunity for innovative businesses to choose the location that fits them best, knowing that they will access the specialist support and spaces they require wherever they choose.

At the same time we remain committed to the regeneration of our surrounding towns. Acting in partnership with local authorities to reposition their town centres. Accepting that their traditional high street retail offering needs to be slimmed down and become more amenity and experience led, creating new homes and offices and retail to serve them. As a continuation of the approach already entered into with Trafford council in Stretford and Altrincham, during the year we entered into a new joint venture with Bury Metropolitan Council, with the aim of rejuvenating Millgate shopping centre and the surrounding area.

CHIEF EXECUTIVE'S REPORT (CONTINUED)
For the Year Ended 30 September 2022

All of this has been done in the context of our overall purpose of Creating Thriving Cities. We use this to guide our activity and to ensure that we maximise the impact that we make. ESG is increasingly important to investors, customers and colleagues alike and despite the turbulence of this year we have seen more focus on creating impact rather than less. We have continued to invest in environmental and social outcomes. We were the first UK property company to commit to becoming Net Zero by 2030. We have developed a pathway to get us and there and are making strong progress in reducing carbon emissions. In May we concluded a major investment with Ripple to develop Kirkhill windfarm that will provide 80% of our energy from renewable sources by 2025 and at the same time provide new wind energy to a community of domestic users. We have continued to build our action to create a fairer society - the S of ESG - with a particular focus on diversity and inclusion, skills and good work . Building on our role as a founding member of the GM Good Employer Charter we have been supporting the Real Living Wage campaign, encouraging others to join us as a Real Living Wage employer.

As mentioned above, we are pleased to report our 2nd best ever set of results. Profit before tax has increased from £44.9m in 2021 to £75.2m in 2022. Whereas Operating profit plus revaluation from our 100% owned, predominantly stable investment portfolio was broadly flat year on year, the majority of the increase came from the performance of our Bruntwood SciTech Joint Venture. Overall, profit from our share in Joint Ventures increased from £3.9m to £33.7m. This was largely due to the strong revaluation performance of SciTech, particularly through the realisation of development profit, as the first 2 phases of Circle Square completed and became fully let as Alderley Park became income generative following its transition from a largely vacant asset following the decant of its previous owner occupier to a thriving multi-let science asset.

We look forward to the coming year with caution due to the wider economic environment, but optimism due to the strong underlying proposition that we have created.

C G Oglesby - Chief Executive Officer 31st January 2023

STRATEGIC REPORT
For the Year Ended 30 September 2022

Business Overview

Bruntwood was set up 46 years ago and is now a leading regional property company. The business develops, owns and manages a portfolio of commercial property across Greater Manchester, Leeds, Liverpool and Birmingham. The business has always taken a long-term view of investment and has derived real value in working across the whole property ownership lifecycle. Bruntwood has a deep commitment to the success of the cities in which it operates, playing an important part in their growth - economically and socially. Creating thriving cities has always been at the heart of the business's ambitions.

The focus on our customers has been a key part of the Bruntwood offer, innovating and providing services and experiences ahead of the market throughout our 46 year history. The focus on flexible products, the ability to support individual businesses as they grow and create a true sense of business community is central to our proposition. The business's 1,083 (2021: 669) colleagues and unique culture are arguably Bruntwood's greatest asset. The approach to insourcing and growing talent provides real competitive advantage, allowing us to get close to customers and deliver what they need when they need it.

In 2012 Bruntwood began to create specialist facilities for science and technology businesses, first as majority shareholder at Manchester Science Park and then through its ownership of Alderley Park. This has become a significant part of the business and opportunity for growth and a new Joint Venture, Bruntwood SciTech, was created with Legal and General Capital in September 2018. The business continues to grow new opportunities in new markets and these grow from our experience of creating partnerships, particularly with academic and clinical institutions and local government. These will create further new business models of their own over time.

The Bruntwood Group brings together Bruntwood SciTech and Bruntwood Works. The business model - comprised of our purpose, brand and values, products, commercial and operational models and systems and processes - are almost entirely common across the Group. This creates the greatest efficiency and allows each area of the business to gain from the expertise and activity of the others. The Group has a series of strategic priorities to support the divisional plans of Bruntwood Works and Bruntwood SciTech plus new business opportunities. We believe for cities to thrive they need to; unlock their innovation potential to power their economies; to unlock social mobility and health equality for all; and have sustainability at the heart of their growth strategy. We create long term, deeply embedded relationships with public, private, academic and health sector partners within cities to help them further their ambitions and drive our purpose activity.

The business has delivery priorities to support our purpose which set ambitious targets and goals;

- Bruntwood invests for the long-term in places, therefore the success of our business is inextricably linked to the success of those places. For our cities and our business to thrive, our colleagues, customers and communities need to thrive too.
- We work with partners in our cities to grow their economies; both creating the demand for our buildings, as well as satisfying it with them. For that growth to be sustainable, this extends to ensuring that our cities are culturally vibrant, fair and equal and environmentally conscious.
- As a partner to our customers and suppliers we operate our buildings to provide brilliant spaces and communities that work well - always performing like part of their business and caring like part of their family.
- As an employer we are committed to creating a healthy working environment where our colleagues understand how to shape their world and the one outside. We are dedicated to developing talent and improving employability of the workforce of the future.
- As a supporter of cities and communities we recognise the contribution which we as a business can make through creating connections and using our finest assets - our people and our spaces.
- As a developer we take into consideration a city's eco-system and how our buildings fit into that landscape. We aim to reduce our environmental impact by designing, building and improving our district's buildings with sustainability at their core.

Further information on our delivery priorities can be found in the following s172 Corporate Governance review.

Section 172

The revised UK Corporate Governance Code requires Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('s172') when performing their duty to promote the success of the Company. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. This s172 statement explains how Bruntwood Group Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

Section 172	
(a) The likely consequence of any decision in the long term	The Group undertakes a robust business planning process on an annual basis with a four year plan approved by the board. Performance against this is monitored by the board on a quarterly basis, on an operational and financial level. The board considers capital allocation as part of the planning process, including triggers for approval of specific capital spend. The board monitors the risk levels of its deployment of capital, against pre-agreed levels. The Bruntwood Group is funded via a mix of short and longer term funding, spreading the refinancing risk. The Group reviews future financing requirements quarterly, alongside clear targets for financial resilience.
(b) The interest of the company's employees	The Group places considerable value on the involvement of its colleagues and has continued to keep them informed on matters affecting them as colleagues and on the various factors affecting the performance of the Group and the company. There are a number of formal and informal mechanisms for ensuring two-way employee communication, including an annual engagement survey, frequent pulse surveys to provide feedback on different topics affecting employees, listening forums, peer learning groups, leadership podcasts, monthly newsletters, colleague networks, champions and ambassadors representing different workstreams, an annual 'all colleague' conference and use of our communications platform B-Hive. Our engagement activity this year has been highly focused on offering wellbeing benefits and initiatives, embedding the culture of listening and strengthening colleague voice, delivering office and cultural vibrancy, ensuring colleagues feel valued and are aligned to strategic objectives. Our Allyship programme, which underpins our Diversity & Inclusion strategy has continued, delivering different colleague networks and events. The programme to achieve the targets we have set ourselves is well underway. Between the listening culture and the D&I strategy, a huge emphasis has been placed on colleague listening and working with networks to start to develop a strong ERG framework. The Group continues membership and strong links with the Greater Manchester Good Employer Charter which reflects the strength of our employment practices. We are also proud to be accredited by the Real Living Wage foundation. This focus on fair and good employment has supported our work on gender equality, and while there is still more to do, we were pleased to see our Gender Median Gap at 0% for April 2021. The next review of our performance in this area will take place in March 2023.
(c) The need to foster the company's business relationships with suppliers, customers and others	Our overarching purpose Creating Thriving Cities sees us doing more than just developing individual buildings but contributing fully to making cities that work for people and businesses. Delivering this purpose requires strong and mutually beneficial relationships with our customers, suppliers and other key stakeholders. The shareholders and key management personnel recognise the importance of shaping the cities we live in, we contribute as individuals too - helping to shape the communities we're in by offering our talent and energy to everything from shaping a city's long-term strategy to helping young people from deprived communities write their CVs.

	The Group conducts regular customer engagement surveys to determine the Net Promoter Score (NPS) of the Group. The results are reviewed by the Board on a regular basis. Additionally, the Group's internal customer experience team carry out regular internal customer interview and mystery shopper exercises to ensure the Group is engaging with customers in the best possible way. The group now also has an embedded Voice of the Customer (VOC) programme. The VOC programme is a customer insights programme that is divisionally aligned with the same overarching objectives. The VOC programme allows us to gain and act on customers feedback against crucial stages of their experience with us. The programme incorporates both internal customer insights and external research to help shape customer-led decision making at a senior level in the business, it allows us to be agile in how we approach the ever-changing market and provides invaluable continuous improvement insights which feeds into improvement initiatives. A key element of the VOC programme is to balance internal and external insights, understand our own customer needs against the market and to anticipate the evolution in our products and services to meet the changing needs of our customers. This allows us to sculpt the future of the Bruntwood experience and stay competitive in the market. A critical part of our customer insights comes from our survey platform, where responses feed into our Customer Relationships Management (CRM) tool, Salesforce. Key insights are captured and stored against specific customer records, allowing us to deepen our understanding of customer needs and enable richer conversations and relationships. The VOC includes: -Automated and manual feedback loops -Deep dives into specific topics or market trends -Customer and colleague interviews The Board reviews and approves the Group's Supplier approval and set-up process on an annual basis. We are developing this process to include a Supplier Charter, which is due to launch in 2023, and has been designed to help us drive environmental, social and economic performance by working with our Suppliers like partners. We will continue to work with our Suppliers to ensure they remain aligned to our values of '*Be brilliant to work with*', *act with integrity* and a passion for collaboration to help support them and meet our own Net Zero targets.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

(d) The impact of the company's operations on the community and environment	As a business, we can only help to create thriving cities if we deliver sustainable and environmentally-conscious spaces that support the wellbeing of our customers, communities and colleagues. That's why we are embedding a culture of sustainability across all our ways of working in order to limit our impact on global warming and mitigate the effects of climate change. In October 2018, Bruntwood became the first commercial property partner to sign the UKGBCs Advancing Net Zero commitment, dedicating ourselves to operating at net zero carbon by 2030. To further demonstrate our support for a more sustainable built environment, we are now a founding signatory to the WGBCs Net Zero Carbon Buildings Commitment, pledging to take increased action on our embodied carbon emissions as well. Along with these commitments, we will also be advocating others to do the same by helping our customers and communities become more aware of their carbon emissions, and supporting them to take action. Working with the Carbon Trust, we have developed our own science based targets, creating a 'carbon budget' for the business to support the Paris Agreement global target of restricting global warming to 1.5°C above pre-industrial levels. We pledged that all areas under our direct control - this means our common parts, our own offices and our vehicle fleet - will operate at net zero carbon by 2030. While our primary focus has been on our own emissions and what we can do to reduce these to reach our net zero carbon targets, we're also setting targets regarding our water, waste and energy usage to further embed sustainable operations into our business. While scope 1 and 2 cover direct emissions sources (e.g., fuel used in company vehicles and purchased electricity), scope 3 emissions cover all indirect emissions due to the activities of an organisation. To help us understand more about these wider impacts, we've recently completed an analysis of our 'Scope 3' emissions and they make up around 96% of our total footprint, so this will be a significant focus for us going forwards. The Bruntwood Group partners with ambitious environmental, arts and cultural organisations that make a positive change to our communities. Partnerships include bluedot, Grand Union, Leeds International Festival, Liverpool Biennial, City of Trees, InnovateHer as well as all of the production theatres in the cities we operate in. Every year, the Bruntwood Group and the Oglesby family shareholders donate over 10% of annual distributable profits to meet these aims (assessed by the directors to be gross profit net of administrative expenses). This year that figure is £3,895,000 (2021: £3,073,000). These donations have supported activities across our regions, including projects based around the environment, the arts, medical research, education and tackling social inequality. As well as raising money for our nominated charities, Bruntwood colleagues have also donated over 1,375 hours (2021: 1,645) of their time through Cares Days, volunteering and giving time back to their local communities. By donating their time, skills and talents to the regions and communities we operate in, our colleagues are helping our cities to continue to thrive.

STRATEGIC REPORT (CONTINUED)

For the Year Ended 30 September 2022

(e) The desirability of the company maintaining a reputation for high standards of business conduct	The reputation of the company and maintaining high standards of business conduct are under-pinned by the Group's strategy. One of the Group's values is being brilliant to work with, for customers, colleagues and suppliers. The Group has ambitious targets for the workforce with a good platform to build from; a gender median pay gap of 0% and a number of key senior leaders within the business are women. The Group continues to embed its Diversity and Inclusion strategy, including a focus on our Speak Up culture, enabling colleagues to learn from each other, from any mistakes and to continue to uphold the highest standards and to live Bruntwood's values.
(f) The need to act fairly as between members of the company.	The Bruntwood Group continues to adopt a family owned and managed structure. M J Oglesby founded the Bruntwood Group and his son, C G Oglesby, took over as Chief Executive in 1999. The Bruntwood Group's activities are directed through a single unified corporate management and control structure which is run by the board of Directors (the "Group Board"). The Group Board is responsible for designing and managing the strategic direction of the Bruntwood Group, major funding and acquisition decisions and controlling the corporate management and operational structure of the Group. The Group Board contains Oglesby family members, alongside non-family directors.

Review of business

Financial highlights for the year ended 30 September 2022 are:

- Profit before tax of £75.2m (2021: £44.9m)
- Shareholders' Funds increase of 10.7% to £671.5m (2021: £606.5m)
- Turnover of £142.4m (2021: £122.6m)
- *Gearing of 54.6% (2021: 54.8%)*

The Group has had another successful year against a difficult economic backdrop, across all of our core markets with over 206,000 sq ft of leasing transactions taking place in the period. The Group secured over 73% of customers at lease break or expiry.

The 16.2% increase in turnover is predominantly driven by an increase in Utilities Income, reflective of increased costs associated with light and heat, being passed on to our customers and our core rent and related products, partially offset by a reduction in development income.

Rent and related income has increased 6.2% year on year, with occupancy remaining steady and a marginal increase in headline rents on new deals. Shareholders' funds have increased 10.7% on 2022, based on the profit generated in the year less dividends paid of £8.0m.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

Under its Works brand, Bruntwood continued to signal its growth and commitment to providing the future of work with the Pioneer programme with investment across our City locations, with the completion of the £3m Pioneer scheme at The Plaza in Liverpool and further investment into Blackfriars in Manchester with work commencing on the addition of the rooftop restaurant. The success of the Pioneer programme was highlighted with Bloc picking up the BCO North of England award for best refurbished / recycled workplace.

We received planning approval to redevelop Manchester's iconic Grade II listed Pall Mall. The development will offer 85,000 sq ft of office and hospitality space across three interlinked tower blocks, Pall Mall is set to be our next Pioneer, allowing like minded businesses to utilise space with ESG credentials. Targeting net zero carbon in operation and using recycled and reclaimed materials to achieve a mid-century modern look, Pall Mall will have style and sustainability at its heart.

In Leeds work has commenced on redevelopment of Castle House which spans 90,000 sq ft over 14 storeys and marks the next phase of Bruntwood's expansion in Leeds. Castle House will form part of the wider West Village redevelopment and will benefit from our Pioneer programme at the adjoining West One. The scheme includes a 3 storey 20k sq ft extension that will also provide a shared reception linking into the courtyard and amenity provision.

In Birmingham a key highlight for the City was hosting the 2022 CommonWealth Games and Bruntwood were extremely proud to be the Official Commercial Property Development Provider for such an important event in the city. Being a part of the Games and hosting customers, colleagues and stakeholders at some of the sporting events helped raise our profile and demonstrated Bruntwood's ongoing commitment to the city and wider region. Bruntwood were also involved in the parallel Business & Tourism Programme which operated out of UK House, led by the West Midlands Growth Company, which attracted ministerial visits and showcased Birmingham's platform on the global stage.

Our Serviced Space business, performed extremely well as we've seen a shift to an increase in customers taking flexible space, with occupancy averaging over 90%. Our redevelopment programme will see the expansion of our Serviced product, with Liverpool's 3rd floor Plaza scheme coming on line in 2023 offer 5,380 sq ft of flexible product, 3 floors 33,000 sq ft at Pall Mall in Manchester and 18,000 sq ft at West Village in Leeds.

At the Stamford Quarter in Altrincham, Bruntwood's joint venture partnership with Trafford Council began work on it's first development project in the old Rackhams building on George St. Construction began in the Spring on a redevelopment of the building with a new, two-storey extension taking the building to 75k sqft. Work continues to progress at pace with a planned completion in Summer 2023. 35% of the 75k will be retail with plans for a day to night offering throughout the lower floors of the building helping to bring more people in to the town centre and support the long-term, sustainable growth of the local economy as was launched within the scheme masterplan in 2021.

Plans for further commercial development have been paused for the time being with a greater focus being placed on further residential development within the town. This scheme is still in its infancy and is expected to be complementary to the Clarendon House scheme which received planning approval in the year and is expected to completed in early 2023.

At Stretford Mall, planning approval was received for the King St development which will see the overall retail footprint reduce from 340k sqft to 180k sqft and the relaunch of the original high street on King Street that was in place prior to the mall opening. It will be transformed as a lively new high street, with a new market hall, as well as outdoor seating. The bulk of the redevelopment is to be funded by the Future High Streets Fund grant. The council received a total of £17m of grant with £11m being allocated to the King Street scheme.

Aside from the retail redevelopment, the other element of the Stretford Mall scheme is large scale residential disposal with 700 residential units to be delivered on the site across 4 phases. Within the year, the Stretford Mall LLP received and accepted a bid for the first phase of disposal from Trafford Housing Trust. Completion is anticipated for September 2023.

The remaining Trafford joint venture at Lumina Village also saw some substantial progression in the year with UA92, expanding into further a further 12k suite at Valo Building which will act as their tech hub. A deal has been agreed with University of Bolton for the remaining 36k sqft with occupancy expected for Spring 2023.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

We have also progressed the first phase of residential disposal with an agreement with Glenbrook to deliver c.600 new homes. The development will help to transform the majority of the remaining land surrounding the Valo Building and bring more people into the Civic Quarter in Trafford.

In April, Bruntwood entered into a new 50% joint venture with Bury Metropolitan Borough Council when acquiring the Mill Gate Estate in Bury town centre. For c.£20m, the Bury Bruntwood LLP acquired c.450k sqft of retail. Initial work has begun on a masterplan for the scheme with initial plans mirroring that in the Trafford joint ventures and a rationalisation of the retail footprint and the addition of alternative uses to help revive the town centre and grow the local economy. The masterplan will continue to develop with public consultation planned for 2023.

Bruntwood SciTech continued its strong performance in the year, with a number of notable highlights, including the acquisition of Glasgow's iconic Met Tower, seeing the company make its first investment in Scotland. Bruntwood SciTech acquired the site in May for £16.2m and immediately announced a £60m investment to transform it into a new hub for tech and digital businesses in the heart of the Glasgow City Innovation District. Plans will see the 14 storey, Grade B listed, old City of Glasgow College building redeveloped into a 113,000 sq ft hub for university spinouts, startups, scaleups, and large tech businesses to co-locate together, whilst to the rear of the site an interconnecting new building will be constructed to scale the tech cluster even further. Consultation events have been held with enabling works due to commence from January 2023.

It was also the year that Bruntwood SciTech's growth in Manchester saw the completion of the second phase of Manchester Science Park's masterplan. The five-storey, 91,000 sq ft development of Base started in December 2020 at the height of the pandemic and completed only a few weeks after its pre-pandemic predicted completion date, one of the first Government supported Getting Building Fund 'shovel-ready' projects to do so. Purpose-built for companies working in high growth Industry 4.0 tech and offering dedicated prototyping makerspace, and those training the next generation of highly skilled, specialist talent to support such businesses, Base will be home to companies working in areas such as low carbon, light manufacturing, computer and energy technology, gaming, and animation. The campus also saw a refurbishment of Skelton House to create a 43,000 sq ft global hub for international molecular diagnostics group Yourgene Health, a long standing customer who significantly expanded its presence in Manchester following success during the COVID-19 pandemic where they developed and scaled their own PCR antigen testing method. In their time as a customer at both Manchester Science Park and Citylabs they have grown from a team of two through to the 200-strong business it is today.

At Bruntwood SciTech's other Manchester campuses, Circle Square has continued to prove popular with startups and scaleups such as leading NFT marketplace KnownOrigin, acquired this year by eBay, and is now the go-to home for high growth businesses within the digital-knowledge economy wanting to access the city's innovation district. Renewable electricity provider Octopus Energy Group secured 40,000 sq ft workspace to create their new base and 300 new jobs in Manchester, whilst America's No. 1 TV streaming platform Roku completed on 120,000 sq ft in No.1, the largest ever inward investor deal for the city. With demand continuing for the neighbourhood, plans have been announced for No.3 Circle Square which will see 264,000 sq ft office and retail space constructed as well as a new landscaped green space opposite Symphony Park. The £87m development was submitted and received planning consent in this year and will begin construction in Spring 2023. It is intended to achieve Net Zero embodied carbon during construction, BREEAM Excellent status, a NABERS 5 Star rating and an EPC A rating once operational.

Since the formation of the £1.5bn ID Manchester Joint Venture with the University of Manchester announced in the summer of 2021, a great deal of work has been undertaken to begin to bring the vision to reality. Over the course of this year a number of delivery strategies have been developed including a key piece of work preparing a masterplan for the district. The masterplan will show how it will become an exemplar in inclusive innovation recognising the heritage of the site, planning for quality and sustainable public realm, and served by first class infrastructure. The masterplan will be subject to a consultation period early in 2023.

This year saw a number of new partnerships form in Manchester and Birmingham. The High Value Manufacturing Catapult selected Innovation Birmingham as its HQ and opened a NorthWest nodal hub at Circle Square in addition to its existing site at Liverpool Science Park. HVMC and two of its founding centres, the Centre for Process and Innovation (CPI) and the Manufacturing Technology Centre are now located at multiple Bruntwood SciTech campuses to access an interconnected, industry-leading ecosystem across the UK. Bruntwood SciTech launched a new fund in partnership with Greater Manchester Combined Authority, Cheshire and Warrington LEP and Praetura Ventures. The £20m GMC Life Sciences Fund is to bolster the region's flourishing life sciences sector, support innovation, create more skilled jobs, and help businesses to expand internationally. The company also set up a new partnership on its Serendip corporate innovation challenge programme with BNP Paribas Personal Finance and SuperTech West Midlands to offer 10 SMEs the opportunity to tackle three FinTech innovation challenges and gain new market and mentorship access.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

In Birmingham, development at the Innovation Birmingham campus has progressed at pace. Construction on Birmingham's first 'smart-enabled' building in the heart of the Knowledge Quarter, the £33m, 120,000 sq ft Enterprise Wharf reached its 'topping out' milestone in March. When it opens early next year, it will provide much needed grow-on and expansion space for larger digital and tech businesses, helping to attract significant inward investment to the region. The campus also played an important role during the Commonwealth Games, hosting delegations from across the world keen to access the West Midlands' burgeoning tech and digital sector, and in partnership with the West Midlands Growth Company offered fully funded UK market entry and soft-landing support for 30 innovative Foreign Direct Investor (FDI) companies to be based at Innovation Birmingham in the run up to and 12 months following the Games.

Across the city, Bruntwood SciTech's joint venture partnership with the University of Birmingham to develop a new 10 acre life sciences campus for the Midlands also continued to develop and evolve at pace. The first phase of the £210m Birmingham Health Innovation Campus and its new healthcare technologies cluster, No.1 BHIC, marked its 'topping out' in September. Due to complete in September 2023 the 133,000 sq ft No.1 BHIC has already been confirmed to be the future home of the University of Birmingham's Precision Health Technologies Accelerator (PHTA) and Birmingham Precision Medicine Centre which will provide opportunities for pioneering R&D startups to colocate and collaborate with scale up and larger life science businesses.

Alderley Park, the UK's largest single-site life sciences campus, completed and launched 86,000 sq ft of lab space in a £20m redevelopment of existing space to create high-specification biology and chemistry containment level two (CL2) labs. The redevelopment forms part of the Park's £247m masterplan, which this year also saw planning submitted for an additional 200,000 sq ft of specialist CL2 lab and office space, bringing two new buildings to the campus, the first new build commercial spaces to be delivered since acquiring the site in 2014. Alderley Park continues to offer best-in-class life science and tech facilities to support such businesses and this year saw a number of exciting new companies relocate or expand at the Park. Leading game art studio Airship Interactive announced their new HQ in 15,000 sq ft at Glasshouse and will create 200 jobs in the next three years, multi-national cloud solutions provider SAP selected Glasshouse as its North of England hub for over 100 employees, and global cell and gene therapy business Charles River chose 17,000 sq ft for their highly specialist lab space in Mereside. These companies are colocated alongside more than 250 businesses now based at the Park, such as Sai Life Sciences, one of the fastest growing global contract research, development and manufacturing organisations, who this year expanded with a four-fold increase in their space requirements from 5,000 to 20,000 sq ft. Alderley Park continued to support the fight against Covid-19 and during the UK Government's mass Covid-19 PCR testing programme the Alderley Park Lighthouse Lab processed over 23 million PCR test samples and trained over 1,000 early career scientists.

In Leeds, support for one of the UK's fastest growing tech sectors continued to gain momentum at Platform. In March, Bruntwood SciTech became a partner and supported LegalTech in Leeds to bring together the legal and digital sectors in the Leeds City Region and help drive digital adoption, improve access to legal services, and support entrepreneurs seeking to work in LegalTech. A Female Founders Incubator programme was launched to support early stage tech female founders with mentoring from successful founders and CEOs, professional support across a range of disciplines and desk space provided in the city's dedicated specialist startup Tech Hub. A Skills Marketplace also ran to help companies find tech talent of the future, and upskill existing talent.

Key performance indicators

The Group measures performance using a number of financial and non-financial performance measures. Key measures are discussed below, the majority of which can be derived directly from the financial statements.

- Deliver a sustainable, low double-digit shareholder return over time, via a combination of both income and capital returns, whilst generating positive cash flows for reinvestment and asset growth. In 2022, we returned 26.5%, being a dividend of 15.8% and net worth increase of 10.7% from £606.5m to £671.5m.
- Maintain appropriate levels of gearing and net debt, whilst delivering growth within the Group. Gearing stood at 54.6% in 2022 compared to 54.8% in 2021. Net debt was £573.9m compared to £569.5m.
- Improve relationships with customers and strive for increases in net promoter scores. Our Bruntwood Works net promoter score (NPS) at year end was +36, deemed 'very good' in the B2B sector. We are moving towards a soft BPS score in the future, capturing this KPI at each stage of our customer journey.
- Achieve annual carbon reduction of at least 4.2% per year in line with our Science Based Targets and supporting our 2030 net zero carbon pledge.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 30 September 2022

Principal risks and uncertainties

The most significant external risk currently facing the Group, impacting customers, colleagues and suppliers, is the conflict which continues following the Russian invasion of Ukraine, which has contributed to significant macro - economic volatility and uncertainty with high levels of inflation and increasing interest rates currently being experienced. The Group continues to monitor these situations closely.

More specifically the Group is affected by changes in sentiment in the investment and occupier markets in which it operates. The primary factors are the level of customer demand for commercial property (which in turn is dependant on the economic success of the city regions) which dictates occupancy and rental levels, the investor demand for property which dictates the value put on those rental levels and the supply of property which is a function of the level of development activity. In turn, these micro factors are impacted by the macro factors in the wider economy, particularly levels of GDP, inflation and interest rate levels.

The directors consider the Group's concentration of offices in strategic city regions to be one of its key strengths. The Group has 46 years of focused experience within this market that allows it to react quickly to changing market conditions and customer needs. The directors believe that the scale of the business, its flexible approach to customers, and enhanced service offer provides a competitive advantage and enables the Group to pro-actively mitigate these risks. With an ambitious plan to grow the business it remains important that the Group continues with its policy of investing in its people and systems and encouraging innovation and creativity in its approach.

As with any property company that is substantially debt financed the directors consider one of the key financial risks to be the ability of the Group to meet the covenant requirements of all borrowing facilities, and to successfully refinance borrowing facilities at their maturity date. The directors regularly review compliance with the covenants and the Group is proud that it has not breached any financial covenant in its 46 year history. The Group have modelled the impact on loan covenants of reduced income and significant decreases in valuations of properties. There are no covenant breaches forecast.

66% of the Group's borrowing facilities have two or more years until expiry and we are in talks with our lenders about extension or refinance of those expiring earlier. The continued success of the Group in securing new facilities, its ability to diversify sources and tenure of funding and the close relationships with all of its current lenders give the directors confidence that these financing risks will continue to be mitigated effectively.

APPROVED AND SIGNED ON BEHALF OF THE BOARD:

C G Oglesby - Director 31st January 2023

REPORT OF DIRECTORS
For the Year Ended 30 September 2022

The directors present their annual report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 30 September 2022.

Going Concern

The directors have assessed the impact of the current uncertainty on all aspects of the business, focussing specifically on operations and cash flows of the Group. This stress-testing included assessing the levels of cash and available finance within the Group assuming a reduction in turnover on the basis of customer default or payment plans, reduced lettings and increased vacations at break and expiry. This has been offset by factoring in identified savings in operational expenditure, and a review and possible cuts of uncommitted capital expenditure where necessary.

The Group has had a strong working relationship for 10 years with the MTL banks, and during this time the MTL facility has been extended on 5 occasions to match the scale and strategy of the business. The group had originally forecast that the facility would have been refinanced as part of a wider corporate restructuring exercise which was originally planned to have completed during 2022. However, owing to delays in this exercise, the MTL facility had not been refinanced and therefore a short term facility extension is now required. At the date of signing these financial statements, the Group is pending completion of a renewal of its £225m Medium Term Loan ('MTL') facility which currently is due to expire in March 2023 on which it remains reliant until such point that the corporate restructure is effected.

At the date of signing these financial statements, each of the facility's four syndicate lenders has obtained the necessary credit approval for the extension on consistent terms with the current facility. In order for the extension to be finalised there remains procedural legal and administrative processes to be completed. It is the Directors' view that, given the banks each have credit approval and the remaining steps to completion are procedural in nature, there is minimal risk surrounding the successful extension of the MTL facility. Therefore the Directors have concluded that this matter does not change their view that the financial statements should be prepared on a going concern basis; and does not represent a material uncertainty.

The directors have considered the on-going availability of finance by modelling the impact on loan covenants of reduced income and significant decreases in valuations of properties. Even considering downside scenarios there are no covenant breaches forecast.

Based on reviewing these forecasts and sensitivities the directors have concluded that the Group is a going concern and accordingly have prepared the financial statements on this basis. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 24 to the financial statements.

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

i) Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in interest rates. Exposure to interest rate risk is managed in two ways, firstly by securing low borrowing margins and secondly by hedging the Group's variable interest rate exposure.

ii) Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

REPORT OF DIRECTORS (CONTINUED)
For the Year Ended 30 September 2022

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

iii) Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments, the Group uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Strategic Report on pages 4 to 12.

Dividends

A dividend of £8.0m (2021: £3.9m) was paid during the year. No further dividends are proposed to be paid after the year end date.

Directors

The directors shown below have held office during the whole period from 1 October 2021 to the date of this report.

C G Oglesby

K J Vokes

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors and the directors of associated companies which were made during the year and remain in force at the date of this report.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employees

The Group employed an average of 1,083 people during the year ended 30 September 2022 (2021: 669). Further details of employment costs can be found in the notes to the financial statements. The increase in employee numbers was due to the transfer of 343 colleagues following the acquistion of Unify Management Solutions Limited, back into the Group.

All employees are eligible to join the Group's contributory pension scheme. The Group's all employee share ownership scheme is open to all employees who have completed one year of employment. Each year the company sets aside reserves out of profits to meet both these liabilities and those of the directors' share option scheme and at 30 September 2022 the cumulative value amounted to £3.5m (2021: £2.9m).
For further information around the Group's commitments to employees please see the s172 disclosure within the Strategic Report.

Health and Safety

Across the Group a program of continuous improvement is implemented to reduce health and safety risks in all buildings on a prioritised basis to ensure cost effective and pragmatic risk management. There is a rolling program of required statutory inspections and risk assessments to ensure safe buildings for our customers, employees, contractors and visitors. All employees receive tailored health and safety training to undertake their role to minimise the risk of adverse health effects or injury. The reporting of all incidents including near-misses and hazard identification is encouraged in order to learn lessons wherever possible. Despite the wide range of refurbishment, development and facilities management activities undertaken by Bruntwood and its contractors there have been no Prohibition or Improvement Notices issued during the year by the Health & Safety Executive.

Energy and carbon reporting

We have reported on all sources of GHG emissions and energy usage as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended. The GHG Protocol Corporate Accounting and Reporting Standard has been used throughout and we have used our monthly billing data (from both fiscal and submetered supplies) to collate the data for this report. Emissions factors have been taken from the 2021 UK Government Conversion Factors for Company Reporting.

REPORT OF DIRECTORS (CONTINUED)
For the Year Ended 30 September 2022

The organisational boundary includes all of the office space that Bruntwood's own staff occupy, plus the common areas of all of our buildings. The let-able areas are excluded whether or not the sites are fully occupied. Bruntwood's vehicle fleet (whether leased or owned) is included within the organisational boundary.

Our prior year comparatives have been amended to reflect the apportionment of our Scope 1 emissions to show Bruntwood's usage rather than all of our Scope 1 emissions (*i.e. customer usage in shared system buildings*).

GHG emissions and energy usage

GHG emissions and energy usage data		
Mandatory Information	**for period 1 October 2021 to 30 September 2022**	**for period 1 October 2020 to 30 September 2021**
Total annual gas consumption for combustion purposes in kWh	8,632,578	10,337,405
Total annual purchased electricity consumption in kWh	21,982,100	25,934,418
Emissions from combustion of fuel for heat in tCO2e (Scope 1 - now apportioned)	1,576	1,893
Emissions from combustion of fuel for transport purposes in tCO2e (Scope 1)	26	3
Process/Fugitive Emissions in tCO2e (Scope 1)	1,004	652
Emissions from purchased electricity kwh (Scope 2)	4,251	5,507
Total gross CO2e based on above	6,857	8,055
Area in SQM (common parts)	236,591	217,618
Intensity ratio: chosen ratio is tCO2e per M2	0.029	0.037

The intensity ratio chosen was tCO2e per metre squared. This is the recognised intensity ratio for our sector and allows for consistent measurement over time. It should be noted that our portfolio includes both general office space and laboratory/R&D facilities and as such whole building intensities vary greatly.

As the table above shows both our overall carbon footprint of 6,857 tCo2 (2021: 8,057 tCo2) and our carbon intensity ratio of 0.029 tCo2/M2 (2021 0.037 tCo2/M2) have reduced during the reporting period. Some of this is due to the general decarbonisation of the grid, but our continued efforts to manage consumption across the estate are highlighted by the reduced consumption of both gas and electricity.

In 2018, Bruntwood became the first property company in the UK to sign up to the UK Green Building Council's Net Zero Carbon commitment.Since then, we've been improving our buildings, adapting our development approach and creating policies, procedures and guidance to help us reach that goal. We reaffirmed our commitment to a net zero future in 2021, becoming a founder signatory to the World Green Building Council's Net Zero Carbon Buildings Commitment and signing up to the United Nations-backed global campaign, Race to Zero. We've also recently published our Net Zero Pathway which sets out our delivery approach and the measurement approach we will use to make sure we remain on track.

Part of this work included completing a full building efficiency audit across our entire portfolio (over 100 buildings) to develop an understanding of our existing buildings and the interventions needed to make them more energy efficient, with the goal of all of our buildings reaching net zero by 2050, as well as meeting legislative requirements such as the Minimum Energy Efficiency Standards - which requires an EPC B rating by 2030. This programme will influence building-level initiatives, so each building has a bespoke net zero plan. It should also position us ahead of additional future regulations such as those that arise from the 'Future Buildings Standard' consultation.

Similarly, in order to help decarbonise our energy supply, Bruntwood has purchased an industry-first 42.4% share in Kirk Hill wind farm. That means that from the end of 2023, the majority of the power that we need to operate our own offices and common spaces will be supplied by renewable energy - a huge milestone in getting us towards our net zero goals.

REPORT OF DIRECTORS (CONTINUED)
For the Year Ended 30 September 2022

In 2022, we announced that we are building the UK's lowest carbon new build workspace, Ev0, named in recognition of Bruntwood's continued move to net zero. It will be Bruntwood's first project to meet the LETI 2020 design targets for 'upfront carbon'; RIBA's 2025 targets for whole life carbon and the UKGBCs Paris Proof operational energy use targets. All of the energy supplied to the site will either be generated on-site or from Bruntwood's co-operative wind farm, Kirk Hill. Ev0 will be built using low carbon concrete and a unique timber frame because of its ability to capture and store carbon, ensuring it is not released back into the atmosphere until the end of its life.

Other notable highlights included announcing our partnership with Liftshare who are the UK's leading car share provider. Their platform connects drivers and passengers via an app to provide a more sustainable way to travel by reducing the number of cars on the road; receiving planning approval to redevelop the Grade II listed Pall Mall in the heart of Manchester city centre. Pall Mall will be Manchester's first workspace aimed at the 'consciously minded' and become a home for businesses that demonstrate strong Environmental, Social and Governance (ESG) credentials; and becoming a partner in the UKGBCs Physical Risk Labs Project. Understanding the risk that climate change poses to our business is essential to our role as a responsible investor, developer and asset manager, so will an increasing focus for our business.

Auditor

Each of the directors at the date of approval of this report confirms that:

(i) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and

(ii) the directors have taken all the steps that they ought to have taken as a director to make themselves 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. Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

APPROVED AND SIGNED ON BEHALF OF THE BOARD:

C G Oglesby - Director

31st January 2023

DIRECTORS' RESPONSIBILITIES STATEMENT
For the Year Ended 30 September 2022

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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRUNTWOOD GROUP LIMITED

Independent auditor's report to the members of Bruntwood Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bruntwood Group Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's ability to adopt the going concern basis of accounting included:

- A review of the cash flow forecasts prepared by the Directors;
- Challenge of the assumptions used in the forecasts through performing sensitivity analysis around future profitability and cash inflows as well as around covenant headroom;
- Testing of clerical accuracy of those forecasts and an assessment of the historical accuracy of forecasts prepared by management through comparison to actual results.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRUNTWOOD GROUP LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of directors

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, and for such internal control as the directors 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, *including fraud is detailed below.*

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included building and environmental regulations.reading minutes of meetings of those charged with governance.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, IT, and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- valuation of investment property: We challenged the principal assumptions used to derive the open market value through a number of procedures. These include the review of equivalent yields against market rates, challenge of methodology by RICS certified internal experts and substantive testing of committed rent receivable.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reding minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Use of our report

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.

Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham
United Kingdom
31st January 2023

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the Year Ended 30 September 2022

	Note	2022 £000	2021 £000
TURNOVER	3	142,419	122,563
Cost of sales		(79,534)	(63,556)
GROSS PROFIT		62,885	59,007
Administrative expenses		(31,799)	(26,530)
OPERATING PROFIT		31,086	32,477
Share of results of joint ventures		33,727	3,888
Gain on revaluation of investment property		35,726	36,940
Gain on interest rate derivatives		-	2,782
Other exceptional loss	6	(2,336)	(7,944)
Gain on the sale of investment properties	6	672	70
PROFIT BEFORE INTEREST AND TAX		98,875	68,213
Net interest payable	7	(23,641)	(23,351)
PROFIT BEFORE TAXATION	5	75,234	44,862
Tax on profit	8	(2,351)	(23,121)
PROFIT FOR THE FINANCIAL YEAR		72,883	21,741

CONTINUING OPERATIONS

All of the above relate to continuing operations.

There are no items of other comprehensive income in the current or prior year and therefore no separate statement of comprehensive income has been presented.

CONSOLIDATED BALANCE SHEET
As at 30 September 2022

	Note	2022 £000	2021 £000
FIXED ASSETS			
Intangible assets	11	7	22
Tangible assets	12	1,051,587	1,039,249
Investments	13		
- Investment in Joint Ventures		247,904	191,613
- Other investments		6,622	-
		1,306,120	1,230,884
CURRENT ASSETS			
Debtors: amounts receivable within one year	14	64,672	69,621
Debtors: amounts receivable after more than one year	14	22,432	23,427
Cash at bank and in hand		12,932	15,545
		100,036	108,593
CREDITORS: amounts falling due within one year	15	(98,654)	(100,351)
NET CURRENT ASSETS		1,382	8,242
TOTAL ASSETS LESS CURRENT LIABILITIES		1,307,502	1,239,126
CREDITORS: amounts falling due after more than one year	16	(588,566)	(585,899)
PROVISIONS FOR LIABILITIES	18	(47,431)	(46,725)
NET ASSETS		671,505	606,502
CAPITAL AND RESERVES			
Called up share capital	19	50,680	50,652
Share premium	19	1,844	1,736
Capital redemption reserve	19	11,580	11,580
Other reserve	19	(32,841)	(32,841)
Profit and loss account	19	640,242	575,375
SHAREHOLDERS' FUNDS		671,505	606,502

The financial statements of Bruntwood Group Limited, company number 02825044, were approved by the Board of Directors on 31st January 2023 and signed on its behalf by:

C G Oglesby - Director

COMPANY BALANCE SHEET
As at 30 September 2022

	Note	2022 £000	2021 Restated £000
FIXED ASSETS			
Investments	13	56,941	56,941
Loans to group undertakings	13	17,057	12,139
Other investments	13	2,007	-
		76,005	69,080
CURRENT ASSETS			
Debtors	14	-	2,043
Cash at bank and in hand		-	1
		-	2,044
CREDITORS: amounts falling due within one year	15	(16,251)	(3,239)
NET CURRENT LIABILITIES		(16,251)	(1,195)
TOTAL ASSETS LESS CURRENT LIABILITIES		59,754	67,885
NET ASSETS		59,754	67,885
CAPITAL AND RESERVES			
Called up share capital	19	50,680	50,652
Share premium	19	1,844	1,736
Capital redemption reserve	19	6,442	6,442
Profit and loss account	19	788	9,055
SHAREHOLDERS' FUNDS		59,754	67,885

The loss for the financial year dealt with in the financial statements of the parent company was £251k (2021 profit restated: £12,226k).

The 2021 accounts have been restated, due to an impairment in the subsidiary companies.

The financial statements of Bruntwood Group Limited, company number 02825044, were approved by the Board of Directors on 31st January 2023 and signed on its behalf by:

C G Oglesby - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2022

	Called up share capital £000	Share premium £000	Capital redemption reserve £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 October 2020	50,652	1,736	11,580	(32,841)	557,499	588,626
Profit for the financial year	-	-	-	-	21,741	21,741
Total comprehensive income	-	-	-	-	21,741	21,741
Dividends paid	-	-	-	-	(3,865)	(3,865)
At 30 September 2021 and 1 October 2021	50,652	1,736	11,580	(32,841)	575,375	606,502
Profit for the financial year	-	-	-	-	72,883	72,883
Total comprehensive income	-	-	-	-	72,883	72,883
Dividends paid	-	-	-	-	(8,016)	(8,016)
Share issue	28	108	-	-	-	136
At 30 September 2022	50,680	1,844	11,580	(32,841)	640,242	671,505

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2022

	Called up share capital £000	Share premium £000	Capital redemption reserve £000	Restated Profit and loss account £000	Restated Total equity £000
At 1 October 2020	50,652	1,736	6,442	694	59,524
Restated Profit for the financial year	-	-	-	12,226	12,226
Total comprehensive income	-	-	-	12,226	12,226
Dividends paid	-	-	-	(3,865)	(3,865)
Restated At 30 September 2021 and 1 October 2021	50,652	1,736	6,442	9,055	67,885
Loss for the financial year	-	-	-	(251)	(251)
Total comprehensive expense	-	-	-	(251)	(251)
Dividends paid	-	-	-	(8,016)	(8,016)
Share issue	28	108	-	-	136
At 30 September 2022	50,680	1,844	6,442	788	59,754

CONSOLIDATED CASH FLOW STATEMENT
For the Year Ended 30 September 2022

	Note	2022 £000	2021 £000
Net cash inflow from operating activities	20	34,255	43,014
Taxation (paid) / credit received		(1,723)	469
Net cash generated from operating activities		32,532	43,483
Cash flows used in investing activities			
Investment in joint ventures		(8,238)	(250)
Proceeds on disposal of investment		-	384
Disposal of investment property		59,570	4,491
Purchase of tangible fixed assets		(37,067)	(34,020)
Proceeds on disposal of tangible fixed assets		-	163
Distribution from joint ventures		302	485
Loan to joint venture		(23,181)	(26,701)
Cash balance Acquired on Acquistion of Subisdiary	13	579	-
Net cash flows used in investing activities		(8,035)	(55,448)
Cash flows (used in)/from financing activities			
Net interest paid		(21,470)	(23,112)
Exceptional loan and swap break costs paid		-	(8,009)
Dividends paid	10	(8,016)	(3,865)
Repayment of medium-term bank loan	17	-	(116,708)
Draw down of long-term loan		861	-
Draw down of new long-term loan		-	155,740
Draw down of existing short-term borrowings		1,616	-
Buy back of retail bond	17	-	(270)
Expenses incurred on loans		(101)	(2,554)
Net cash flows from financing activities		(27,110)	1,222
Net decrease in cash and cash equivalents		(2,613)	(10,743)
Cash and cash equivalents at beginning of year		15,545	26,288
Cash and cash equivalents at end of year		12,932	15,545

1 ACCOUNTING POLICIES

General information and basis of preparation

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

Bruntwood Group Limited (the company) is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the company's registered office is shown on page 1.

The principal activities of the company and its subsidiaries (together the group) and the nature of the group's operations are set out in the Strategic Report on pages 4 to 12.

The company is a private company limited by shares and is registered in England and Wales and incorporated in the United Kingsom.

The financial statements are prepared under the historical cost convention modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Bruntwood Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to presentation of a cash flow statement.

The functional currency of the group is considered to be pounds sterling, because that is the currency of the primary economic environment in which the company operates. The consolidated financial statements are also presented in pounds sterling.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 4 to 12. The Strategic Report describes the financial position of the group; its borrowing facilities; its financial risk management objectives and its financial instruments and hedging activities.

As highlighted in note 17 to the financial statements, the group meets its funding requirements through a combination of overdraft facilities, bank loan facilities and a retail bond issue.

In concluding on the Group's going concern, the directors have considered and assessed the ongoing macroeconomic climate, continued impacts of rising costs, inflation and its current amd forecasted impacts on the property market, on all aspects of the business, focussing specifically on the operations and cash flows of the Group. This stress-testing included assessing the levels of cash and available finance within the Group assuming a very significant reduction in turnover on the basis of customer default or payment plans, reduced lettings and increased vacations at break and expiry. This has been offset by factoring in identified and auctioned savings in operational expenditure, and a review of uncommitted capital expenditure where necessary.

In 2020 and 2021 the Group took advantage of the governments VAT deferral scheme and the Coronavirus Job Retention Scheme. VAT payments were deferred in 2020 repaid by March 2022.

The loans within the group's subsidiaries are subject to loan to value and interest cover covenant tests. The directors have also considered the on-going availability of finance by modelling the impact on loan covenants of reduced income and significant decreases in valuations of properties. Even considering reasonably likely downside scenarios there are no covenant breaches forecast. At year-end the group had £12.9m of cash deposits.

In January 2023, the Group received credit approval from the MTL banking syndicate for a tweleve month extension to March 2024 of it's Medium Term Loan (MTL) facility of £225m. Full legal documentation of this agreement will take place by the end of March 2023.

The Group has, at the date of this report, sufficient existing financing available with £50m headroom on banking facilities and £72.4m of unsecured properties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

1 ACCOUNTING POLICIES (CONTINUED)

This, together with the proven ability to generate cash from trading activities, the performance of the Group's Strategic Portfolio, and its leading market positions and geographical spread, provides the directors with the confidence that the Group is well placed to manage its business risks successfully in the context of current financial conditions and the general outlook in the global economy. After reviewing the Group's annual budget, plans and financing arrangements for the next three years, the directors consider that the Group has adequate resources to continue operating, and accordingly these financial statements have been prepared on a going concern basis.

Basis of consolidation

The group financial statements consolidate the financial results of Bruntwood Group Limited and its subsidiary undertakings drawn up to 30 September 2022. The results of subsidiary undertakings acquired or disposed of in the period are consolidated for the periods from or to the date on which control passed. Business combinations are accounted for under the purchase method. All intra-group transactions, balances, expenses and income are eliminated on consolidation.

Joint ventures

Joint ventures are accounted for using the gross equity method. The consolidated profit and loss account includes the group's share of the joint venture's operating profit, interest and tax while the group's net share of the assets and liabilities of the joint venture are shown in the consolidated balance sheet.

Turnover

Turnover represents property rental, service charge, associated income and the appropriate allocation of rental premiums, provided in the normal course of business, net of VAT. Turnover is accounted for on an accruals basis and amounts invoiced in advance relating to the next accounting period are included in deferred income within the balance sheet. Trading property sales are accounted for on a legal completion basis. Development income is recognised in accordance with construction contracts policy below.

Construction Contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Intangible fixed assets - Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight-line basis over its useful economic life.
Negative goodwill is included in the balance sheet and is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair value of the non-monetary assets acquired is credited to the profit and loss account in the periods expected to benefit.

Intangible fixed assets - Brands

Brands are included at cost and amortised in equal instalments over a 10-year period which is their estimated useful life. Provision is made for any impairment. No change has been made to the useful life of intangible assets previously amortised under UK GAAP as allowed by FRS 102 section 19, as the useful life assumed is deemed a reliable estimate.

1 ACCOUNTING POLICIES (CONTINUED)

Fixed assets (excluding investment properties)

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties, at rates calculated to write off the cost or valuation of each asset over its expected useful life, as follows:

- Fixtures, fitting & IT equipment 10% - 30% on cost; and
- *Motor vehicles 25% - 30% on reducing balance.*

Investment properties

Investment properties for which fair value can be measured reliably without undue cost and effort on an on-going basis are measured at fair value annually with any change recognised in the profit and loss account.

Properties in the course of development are included in the balance sheet at cost subject to provisions if the directors deem relevant. Cost includes interest and directly attributable overheads whilst the property is in the course of development.

Disposal of investment properties

The profit or loss on disposal of investment properties are reported separately within the consolidated profit and loss, in accordance with Section 5 of FRS 102. *Profit or loss is calculated as net proceeds less book value at the time of disposal. The profit or loss on disposal is recognised upon legal completion.*

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Government grants received in respect of operational fixed assets are credited to a deferred income account and released to the profit and loss account over the useful economic life of the asset to which they relate. Government grants received on the construction of investment properties are credit to a deferred income account.

In response to the Covid-19 pandemic the group took advantage of the Coronavirus Job Retention Scheme which resulted in the group receiving a government grant to cover the salary costs of a number of employees. The receipt was recognised in the prior year profit and loss account. The group also took part in the VAT Deferral Scheme which was announced by the government to assist businesses with their cash flow during the Covid-19 pandemic. Therefore the VAT payments which were payable in March through to June 2020 were deferred with the total amount payable at the prior year end included in other taxation and social security amounts due (see note 15).

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations are recognised at the balance sheet date, at the directors' best estimate of the expenditure required to settle the group's obligation.

1 ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are shown in the accounts at cost less any provisions for impairment.

Current asset investments

Current asset investments are initially measured at cost then remeasured to fair value at each year end, with any gain or loss recognised in the profit and loss account.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

I. Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial instruments (continued)

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to interest rate movements. The group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately. Hedge accounting for derivatives is not adopted.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

1 ACCOUNTING POLICIES (CONTINUED)

Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term. The transitional exemption available in respect of incentives offered for leases entered into before the date of transition to FRS 102 has been applied.

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

Rentals under operating leases are charge on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pensions

The group makes discretionary contributions to personal pension plans in respect of all employees. The amount charged to the profit and loss account in respect of the pension cost are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments on the balance sheet.

Taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 group'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 there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the group has a legally enforceable right to offset current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

1 ACCOUNTING POLICIES (CONTINUED)

Bank borrowings and finance costs

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. In accordance with Section 11 of FRS 102, finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. Capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Share-based payments

Fair value is measured by reference to the net assets of the group at year end less a discount for a non-controlling interest in a private company. The group has a choice to issue either cash-settled share-based or equity-settled share based payments to certain employees. Given the lack of readily available market for the shares they are accounted for as cash settled and as such a liability equal to the portion of the employment services received is recognised at the current fair value determined at each balance sheet date for cash-settled share-based payments.

Development in progress

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payment on account. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long-term contract balances in stock.

Service charge

Service charges are collected from customers quarterly in advance to enable the sharing of costs of common services in buildings between more than one occupier. Service charge collections and associated expenditure are held on the balance sheet and reconciled annually. Part of the service charge collected from customers over the duration of their lease is to fund large scale maintenance projects in buildings. This collection to fund service charge major projects is held on the balance sheet, and at any time a building can be in a surplus or deficit position depending on the level of collection or works required.

Dividends

Dividends are normally paid at the end of a reporting quarter and are accounted for on a cash basis.

Restatement

Losses incurred in the year ended 30th September 2021 by a subsidiary company resulted in an impairment of the investment in that company totalling £3.12m. The impairment should have been recognised in the prior year and that would have reduced the profit and total comprehensive income of the Company for 2021, and the investment amount as at 30 September 2021 by that amount.
The impact of the restatement has been to reduce prior period net profit from £15.3m to £12.2m and to reduce the net asset value from £71.0m to £67.9m.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty

Investment Properties

A key source of estimation uncertainty relates to the valuation of investment properties, where a valuation is obtained annually, either by professionally qualified external valuers, or by the group's own internal qualified staff. The evidence to support these valuations is based primarily on recent, comparable market transactions on an arm's length basis. Key assumptions applied to the valuations are inherently subjective and so are subject to a degree of uncertainty, the key assumptions applied are described in further detail below.

A key driver of the property valuations is the terms of the leases in place at the valuation date. These determine the cash flow profile of the property for a number of years..The valuation assumes adjustments from these rental values to current market rent at the time of the next rent review (where a typical lease allows only for upward adjustment) and as leases expire and are replaced by new leases. The current market level of rent is assessed based on evidence provided by the most recent relevant leasing transactions and negotiations.

The nominal equivalent yield is applied as a discount rate to the rental cash flows which, after taking into account other input assumptions such as vacancies and costs, generates the market value of the property. The equivalent yield applied is assessed by reference to market transactions for similar properties and takes into account, amongst other things, any risks associated with the rent uplift assumptions. The net initial yield is calculated as the current net income over the gross market value of the asset and is used as a sense check and to compare against market transactions for similar properties. The valuation outputs, along with inputs and assumptions, are reviewed to ensure these are in line with what a market participant would use when pricing each asset. The reversionary yield is the return received from an asset once the estimated rental value has been captured on today's assessment of market value.

Value of investment property as at 30 September 2022 is £1,038.4m (2021: £1,025.8m). Further information can be found in note 12.

Critical Accounting Judgements

The directors do not consider there to be any critical accounting judgements in preparing these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

3 TURNOVER

	2022	2021
	£000	£000
Rental and related income	78,740	74,135
Debtor Provision	492	385
Service charge income	21,641	22,963
Property services income	10,535	4,892
Utilities Income	30,581	15,659
Development income	430	4,529
	142,419	122,563

All turnover arises from the group's principal activity in the United Kingdom and excludes Value Added Tax. Items billed in advance/arrears are carried forward/carried back in order that the revenue is recognised in the period in which the service is provided.

4 INFORMATION REGARDING DIRECTORS, KEY MANAGEMENT PERSONNEL AND EMPLOYEES

	2022	2021
	£000	£000
Directors' remuneration		
Emoluments	623	600
Pension contributions	-	-
Remuneration of the highest paid director:		
Emoluments	480	466
Pension contributions	-	-

	2022	2021
	£000	£000
Key management personnel remuneration		
Emoluments	2,177	2,508
Pension contributions	103	96
The number of directors and key management personnel who:		
Had awards receivable in the form of shares under a long term incentive scheme	8	10
Are members of a money purchase pension scheme	7	7

	Average 2022	Average 2021
Average monthly number of persons employed (including directors)		
Administration and management	346	340
Customer service staff	381	329
Cleaning Staff	356	-
	1,083	669

The company itself has no employees, other than the directors.

	2022	2021
Staff costs during the year (including directors)	£000	£000
Wages and salaries	22,521	21,181
Job retention scheme income	-	(1,023)
Social security costs	2,420	2,107
All Employee Share Ownership Plan	1,730	1,330
Pension costs	1,160	996
	27,831	24,591

The directors of Bruntwood Limited are considered by the group to be key management personnel. Bruntwood Limited is the direct 100% owned subsidiary of Bruntwood Group Limited. Directors are remunerated for their services to the group and it is not practicable to allocate this between group companies.

On 1 February 2022 the Group acquired 100% of the issued share capital of Unify Management Solutions Limted (see note 13 for further details). At the date of the transaction Unify Management Solutions Limited employed 343 staff who are included in the above note under cleaning staff.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

Share-based payments

The company runs, for all employees after a qualifying period of service, an All Employee Share Ownership Plan (AESOP), which provides for the granting of shares on an annual basis for all eligible members of staff based upon performance targets.

In respect of the above schemes the group has recorded liabilities at the intrinsic values of £1.7m (2021: £2.0m) which are included in creditors due within one year (note 15) and £1.7m (2021: £0.8m) which are included in creditors due after more than one year (note 16).

5 PROFIT/(LOSS) BEFORE TAXATION

	2022	2021
	£000	£000
Profit before taxation is stated after (charging)/crediting:		
Depreciation	(2,590)	(2,138)
Amortisation of intangible assets	(15)	(26)
Rent paid on operating leases	(674)	(312)
Movement in market value of share options	(572)	(517)
Job retention scheme income	-	1,023
Gain on revaluation of investment properties	35,726	36,940
Gain on interest rate derivatives	-	2,782
(Loss)/Gain on revaluation of listed investments	(336)	656
Gain on the sale of investment properties	672	70
Increase in debtor provision	492	385
The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual accounts	33	25
Fees payable to the company's auditor and their associates for other services to the group		
- The audit of the company's subsidiaries pursuant to legislation	336	259
Non-audit fees		
- Other non-audit fees	404	168

Income received in the prior year under the Job Retention Scheme relates predominantly to furloughed service charge employees. Amounts received relating to these employees were passed onto the groups customers.

In 2022 £209k of the other non-audit fees related to real estate services (2021: £30k), £nil related to tax advisory (2021 £8k), £178k related to tax compliance services (2021: £130k) and £17k related to other audit related services (2021: £nil).

The disclosures above are for the group. The company is not required, in its individual financial statements, to disclose separately information about fees for non-audit services provided to the company because the consolidated financial statements are required to disclose such fees on a consolidated basis.

6 EXCEPTIONAL PROFIT / (LOSS)

Other exceptional loss

On the 1st February 2022, the Group acquired 100 percent of issued share capital of Unify Management Solutions Limited. This generated £1.6m of goodwill which has been recognised as an exceptional loss in the profit and loss account (see note 13 for further details).

The other exceptional loss relates to initial costs incurred of £0.7m in relation to a proposed future group restructure.

During the prior year the group disposed of its trading assets in its facilities management and building, contracting and consulting arms, for gross proceeds of £0.4m. The disposal generated a profit of £0.4m, net of all disposal costs minus the book value on disposal.

The other exceptional loss in the prior year, relates to the settlement of the groups interest rate swaps for a consideration of £0.8m and exceptional break costs associated with the refinancing of the groups loan facilities of £7.5m.

Gain on sale of investment properties

During the year, the group disposed of Square one and two, St Hughes House, Dalton House and Burlington House for gross proceeds of £59.7m. The profit on disposal of £0.7m represents proceeds net of all disposal costs minus the book value on disposal.

In the prior year the group disposed of Paragon House for gross proceeds of £4.5m. The profit on disposal of £0.1m represents proceeds net of all disposal costs minus the book value on disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

7 FINANCE COSTS (NET)

	2022	2021
Investment income	£000	£000
Deposit account interest and (loss)/gain on revaluation of listed debt	(7)	1,064
	(7)	1,064

	2022	2021
Interest payable and similar expenses	£000	£000
Bank loans and overdraft	5,648	6,269
Amortisation of finance costs	1,900	1,906
Interest payable on retail bonds maturing 2025	5,452	5,497
Interest payable on loans maturing 2022	-	3,934
Interest payable on loans maturing 2023	512	470
Interest payable on loans maturing 2026	961	903
Interest payable on loans maturing December 2036	9,092	5,403
Other bank/ financing charges	70	33
	23,635	24,415
Finance costs (net)	23,642	23,351
Borrowing costs capitalised (note 12)	-	153

Borrowing costs have been capitalised at a rate of 2.5% being the rate of interest applicable to development specific borrowings.

8 TAX ON PROFIT/(LOSS)

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2022	2021
Corporation tax	£000	£000
Group taxation payable tax based on profit for the year	1,645	-
Adjustments in respect of prior years - group	-	64
Total current tax	1,645	64
Deferred tax		
Timing differences, origination and reversal	1,549	12,343
Adjustments in respect of previous periods	(843)	(77)
Effect of change in taxation rate	-	10,791
Total deferred tax charge	706	23,057
Tax charge on profit	2,351	23,121

Factors affecting the tax charge

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£000	£000
Profit on ordinary activities before tax	75,234	44,862
Tax on profit on ordinary activities at standard rate of 19.0% (2021: 19.0%)	14,294	8,524
Factors affecting the charge:		
Disallowable expenses	781	288
Recognition of capital losses available to offset unrealised revaluation gains	(3,736)	5,697
Adjustment to tax charge in respect of previous periods - current	-	64
Adjustment to tax charge in respect of previous periods - deferred	(843)	(77)
Difference in tax rate	794	10,793
Differences on chargeable gain calculations not recognised in deferred tax	(1,478)	(1,644)
Joint venture profits	(6,491)	(518)
Interest receivable in tax computation not in accounts	(85)	(6)
Corporate interest tax restriction	(885)	-
Total tax charge for the year	2,351	23,121

8 TAX ON PROFIT/(LOSS) (CONTINUED)

On 3 March 2021, the UK Chancellor announced that the main rate of UK Corporation tax would increase from 19% to 25% with effect from 1 April 2023. This change was substantively enacted on 24 May 2021. Accordingly, all deferred tax assets and liabilities have been calculated on the basis that they reverse in future at the 25% tax rate (PY: calculated at the 25% tax rate). Bruntwood Group Limited is a 100% UK domiciled group. The amount of deferred tax not provided on capital losses is £7.0m (2021: £12.6m). The amount of deferred tax note provided on restrictions arising from the corporate interest restriction rules is £0.7m (2021: £2.7m)

9 PROFIT OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £251k (2021 profit restated: £12,226k), see note 1. The audit fee payable has been borne by another group company and not recharged.

10 DIVIDENDS PAID

	2022	2021
	£000	£000
Final dividends paid on ordinary shares at 15.4p per share (2021: 7.2p per share)	7,776	3,625
Final dividends paid on equity preference shares at £2.66 per share	240	240
	8,016	3,865

11 INTANGIBLE FIXED ASSETS

Group

	Goodwill	Brands	Negative goodwill	Total
COST	£000	£000	£000	£000
At 1 October 2021 and 30 September 2022	308	151	(5,462)	(5,003)
AMORTISATION				
At 1 October 2021	308	129	(5,462)	(5,025)
Amortisation for year	-	15	-	15
At 30 September 2022	308	144	(5,462)	(5,010)
NET BOOK VALUE				
At 30 September 2022	-	7	-	7
At 30 September 2021	-	22	-	22

12 TANGIBLE FIXED ASSETS

Group	Investment properties Freehold	Investment properties Long leasehold	Fixtures, fittings & IT equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
COST OR VALUATION					
At 1 October 2021	783,292	242,516	27,782	64	1,053,654
Additions	26,751	8,360	2,330	12	37,453
Disposals	(58,251)	-	-	-	(58,251)
Revaluation	26,775	8,951	-	-	35,726
At 30 September 2022	778,567	259,827	30,112	76	1,068,582
DEPRECIATION					
At 1 October 2021	-	-	14,354	51	14,405
Charge for year	-	-	2,584	6	2,590
Disposals	-	-	-	-	-
At 30 September 2022	-	-	16,938	57	16,995
NET BOOK VALUE					
At 30 September 2022	778,567	259,827	13,174	19	1,051,587
At 30 September 2021	783,292	242,516	13,428	13	1,039,249

The historical cost of the group properties at the year end is £636.5m (2021: £659.6m) for freehold properties and £207.8m (2021: £199.4m) for leasehold properties. Other fixed assets are stated at cost.

Investment properties includes capitalised interest in aggregate amounting to £240k (2021: £240k).

The freehold and leasehold investment properties held by the group at 30 September 2022 were valued as at 30 September 2022, by our external valuers Knight Frank LLP and Jones Lang Laselle Limited. The valuations were undertaken in accordance with 'Red Book Principles' and were conducted on the basis of market value. The process included a senior partner review.

The valuation adopted in these financial statements are based on the Directors own open market valuation. The Directors Valuation Panel of the company also undertook a detailed valuation appraisal of all of the group's properties and benchmarked the results against the external valuation.

The Directors' Valuation Panel comprises of the following:

C G Oglesby, Chief Executive Officer, Bruntwood Limited, qualified as a Chartered Surveyor in 1993 and has 33 years' experience in the property investment industry.

K J Crotty, Chief Financial Officer, Chartered Accountant, has 20 years' experience in the property investment industry.

Investment properties are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to current and future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuers' professional judgement and market observation. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions. For further information please see note 2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

13 INVESTMENTS

Group	SIP Investment in own shares £000
COST	
At 1 October 2021	1,083
Shares allotted in year	28
At 30 September 2022	1,111
PROVISIONS/ (ACCRETION)	
At 1 October 2021	(1,083)
Shares allotted in year	(28)
At 30 September 2022	(1,111)
NET BOOK VALUE	
At 30 September 2021 and 30 September 2022	-

	2022 £000	2021 £000
Share of net assets brought forward	191,613	160,209
Loans to joint ventures	21,250	27,751
Investment into joint ventures in the year	1,617	250
Share of profit for the year	33,727	3,888
Distributions	(302)	(485)
Share of net assets at 30 September 2022	247,905	191,613

During the current year, the Group entered into a joint venture with Bury Metropolitan Borough Council to purchase and redevelop the Millgate Shopping Centre in Bury town centre. An initial loan of £250k made by Bruntwood into the joint venture is included within Loans to joint ventures.

The Group's share of results of joint ventures is predominently driven by the share of the SciTech joint venture profits of £34.0m (2021: £2.8m), which is largely as a result of revaluation gains on investment properties of £59.0m (2021: £11.4m). Investments in joint ventures entail a 50% share of Bruntwood SciTech Limited, Trafford Bruntwood LLP and Bruntwood Bury Millgate LLP.

Tangible fixed assets held by Bruntwood SciTech Limited Group amount to £880.5m (2021: £669.5m), Trafford Bruntwood LLP £20.8m (2021: £19.0m), Trafford Bruntwood (Stamford Quarter) LLP £35.0m (2021: £31.6m), Trafford Bruntwood (Stretford Mall) LLP £12.5m (2021: £14.6m) and Bruntwood Bury (Millgate) LLP £20.0m (2021: £nil)

Other Investments

	2022 £000	2021 £000
Northern Gritstone Limited	2,007	-
Ripple Wind Farm	3,015	-
The University Academy 92 (UA92)	1,250	-
The Manchester Academy	350	-
	6,622	-

During the year, the Group made a number of strategic investments into companies that we believe are value additive to the Group through enhancing the attractiveness of the property proposition.

Northern Gritstone Limited is a Northern-based investment company. It is aiming to invest and scale spin out companies from Leeds, Manchester and Sheffield universities as well as other businesses in the region with high potential growth. It invests in companies working in advanced materials, energy and health technology

13 INVESTMENTS (CONTINUED)

Additional funding has been made available totalling £7.1m by way of shareholder loan of which £1.5m was drawn as at the balance sheet date.

The Group has invested a total of £1.6m into two skills providers, £1.3m to acquire a 12.5% interest in University Academy 92 Ltd and £0.4m by way of a convertible loan to The Manchester Academy Ltd.

Acquisition of subsidiary undertaking

On 1st February 2022 the Group acquired 100 percent of the issued share capital of Unify Management Solutions Limited. The acquisition has been accounted for under the acquisition method. Fair value to the Group of identifiable assets and liabilities acquired were as follows;

	£'000
Fixed assets	10
Current assets	2,094
Cash	579
Total assets	2,683
Loans	
Other creditors and accruals	(1,800)
Trade creditors	(2,400)
Total liabilities	(4,200)
Net identifiable assets at fair value	(1,517)
Goodwill arising from acquisition	1,600
Satisfied by	
Directly attributable acquisiton costs	83

Company	Shares in subsidiaries 2022 £'000
COST AND NET BOOK VALUE	
At 1 October 2020	55,098
Additions	4,960
Impairment restated	(3,117)
At 30 September 2021 restated	56,941
At 1 October 2021	56,941
Additions	-
At 30 September 2022	56,941

Losses incurred in the year ended 30th September 2021 by a subsidiary company resulted in an impairment of the investment in that company totalling £3.12m. The impairment should have been recognised in the prior year and that would have reduced profit and total comprehensve income of the Company for 2021, and the investment amount as at 30 Septemeber 2021 by that amount (see note 1).

	Loans to group undertakings 2022 £000
COST AND NET BOOK VALUE	
At 1 October 2021	12,139
Additions	4,918
At 30 September 2022	17,057

Other Investments

	2022 £000	2021 £000
Northern Gritstone Limited	2,007	-

Northern Gritstone Limited is a Northern-based investment company. It is aiming to invest and scale spin out companies from Leeds, Manchester and Sheffield universities as well as other businesses in the region with high potential growth. It invests in companies working in advanced materials, energy and health technology.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

13 INVESTMENTS (CONTINUED)

Subsidiaries	*Country of incorporation*	*Activity*	*Effective Proportion of ordinary shares held*	
Afflecks Ltd	England and Wales	Shopping Emporium Management	100% *	^
Bruntwood 2000 Alpha Portfolio Ltd	England and Wales	Property investment	100% *	^
Bruntwood 2000 Beta Portfolio Ltd	England and Wales	Property investment	100% *	^
Bruntwood 2000 Fourth Properties Ltd	England and Wales	Property investment	100% *	^
Bruntwood 2000 Holdings Ltd	England and Wales	Holding company	100% *	^
Bruntwood 2000 (NW Regen) Ltd	England and Wales	Property investment	100% *	^
Bruntwood Albert Square Limited	England and Wales	Property investment	100% *	^
Bruntwood AV Holdings Limited	England and Wales	Holding company	100% *	^
Bruntwood AV Limited	England and Wales	Property investment	100% *	^
Bruntwood AV3 Holdings Limited	England and Wales	Holding company	100% *	^
Bruntwood Bond 2 Plc	England and Wales	Investment company	100% *	^
Bruntwood Bury Holdings Limited	England and Wales	Investment company	100% *	^
Bruntwood Circle Square 14 Limited	England and Wales	Development company	100% *	^
Bruntwood Construction Limited	England and Wales	Construction company	100% *	^
Bruntwood Cornwall Street Limited	England and Wales	Property investment	100% *	^
Bruntwood Development Holdings Ltd	England and Wales	Holding company	100% *	^
Bruntwood (Didsbury TP) Limited	England and Wales	Development company	100% *	^
Bruntwood Estates Alpha Portfolio Ltd	England and Wales	Property investment	100% *	^
Bruntwood Estates Beta Portfolio Ltd	England and Wales	Property investment	100% *	^
Bruntwood Estates Holdings Ltd	England and Wales	Holding company	100% *	^
Bruntwood Estates Ltd	England and Wales	Holding company	100% *	^
Bruntwood Aviva 2 Holding Limited	England and Wales	Holding company	100% *	^
Bruntwood Aviva 2 Limited	England and Wales	Property investment	100% *	^
Bruntwood Kirk Hill Holdings Limited	England and Wales	Holding company	100% *	^
Bruntwood Limited	England and Wales	Holding company	100% *	^
Bruntwood MBS Retail Limited	England and Wales	Property investment	100% *	^
Bruntwood Management Services Ltd	England and Wales	Management company	100% *	^
Bruntwood NQ Holdings Limited	England and Wales	Holding company	100% *	^
Bruntwood Paragon A Limited	England and Wales	Dormant	100% *	^
Bruntwood Paragon B Limited	England and Wales	Dormant	100% *	^
Bruntwood Pall Mall Limited	England and Wales	Property investment	100% *	^
Bruntwood RB Limited	England and Wales	Property investment	100% *	^
Bruntwood MBS Developments Ltd	England and Wales	Property investment	100% *	^
Bruntwood Meeting Rooms Limited	England and Wales	Meeting room management company	100% *	^
Bruntwood MTL Ltd	England and Wales	Property investment	100% *	^
Bruntwood Sixth Properties Limited	England and Wales	Property investment	100% *	^
Bruntwood Trafford Holdings Limited	England and Wales	Holding company	100% *	^
Building Sustainability Services Limited	England and Wales	Utility metering company	100% *	^
K Site Limited	England and Wales	Property investment	100% *	^
Manchester Gas and Power Limited	England and Wales	Utility trading company	100% *	^
Unify Energy Limited	England and Wales	Utility trading company	100% *	^
Unify Management Solutions Limited	England and Wales	Facilities Support Company	100% *	^

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

13 INVESTMENTS (CONTINUED)

Joint Ventures	Country of incorporation	Activity	Effective Proportion of ordinary shares held		
3 Sovereign Square Holdings 1 LLP	England and Wales	Holding company	50% *		^^
3 Sovereign Square Holdings 2 LLP	England and Wales	Holding company	50% *		^^
3 Sovereign Square LLP	England and Wales	Property development	50% *	1	^^
Alderley Imaging Limited	England and Wales	Dormant	38% *	3	^
Alderley Park Holdings Limited	England and Wales	Holding company	38% *	3	^
Alderley Park Limited	England and Wales	Property investment	38% *	3	^
Birmingham Enterprise Wharf Holdings Ltd	England and Wales	Holding company	50% *	2	^
Birmingham Enterprise Wharf Ltd	England and Wales	Property investment	50% *	2	^
Birmingham Health Innovation Campus Holdings L	England and Wales	Holding company	50% *	2	^
Birmingham Health Innovation Campus Ltd	England and Wales	Property investment	50% *	2	^
BHIC Ltd	England and Wales	Property investment	50% *	2	^
Birmingham Science Limited	England and Wales	Holding company	50% *	2	^
Birmingham Technology (Property) Limited	England and Wales	Dormant	50% *	2	^
Birmingham Technology (Property One) Ltd	England and Wales	Dormant	50% *	2	^
Birmingham Technology (Venture Capital) Ltd	England and Wales	Dormant	50% *	2	^
Bruntwood Circle Square 1 Limited	England and Wales	Development company	50% *	2	^
Bruntwood Circle Square 2 Limited	England and Wales	Development company	50% *	2	^
Bruntwood Circle Square 4 Limited	England and Wales	Development company	50% *	2	^
Bruntwood Circle Square 12 Limited	England and Wales	Development company	50% *	2	^
Bruntwood Circle Square 13 Limited	England and Wales	Development company	50% *	2	^
Bruntwood Platform Leeds Limited	England and Wales	Development company	50% *	2	^
Bruntwood Science Limited	England and Wales	Holding company	50% *	2	^
Bruntwood Science Management Services Limited	England and Wales	Management company	50% *	2	^
Bruntwood SciTech Ltd (formerly 2000 Ltd)	England and Wales	Holding company	50% *		^
Bruntwood SciTech Melbourn Ltd	England and Wales	Property development	50% *		^
Bruntwood ID Manchester Ltd	England and Wales	Property development	50% *		^
Bruntwood Glasgow Science Ltd	England and Wales	Property development	50% *		^
Bruntwood Met Tower Ltd	England and Wales	Property development	50% *		^
Circle Square District Holdings Company Ltd	England and Wales	Holding company	50% *	5	^
Circle Square District Company Ltd	England and Wales	Property development	50% *	5	^^^
Circle Square Green Company Limited	England and Wales	Development company	50% *	2	^
Citylabs Ltd	England and Wales	Property investment	32% *	4	^
Citylabs 2.0 Ltd	England and Wales	Development company	32% *	4	^
Citylabs 3.0 Ltd	England and Wales	Development company	32% *	4	^
Citylabs 4.0 Ltd	England and Wales	Development company	32% *	4	^
ID Manchester Limited	England and Wales	Property development	32% *		^
Innovation Birmingham Limited	England and Wales	Property investment	32% *	2	^
Manchester Science Partnerships Limited	England and Wales	Property investment	32% *	4	^
Manchester Technopark Limited	England and Wales	Dormant	32% *	4	^
Mi Idea Ltd	England and Wales	Management company	32% *	4	^
Salford Innovation Park Ltd	England and Wales	Management company	32% *	4	^
Manchester Angel Investors Limited	England and Wales	Holding company	50% *		^
Trafford Bruntwood LLP	England and Wales	Property development	50% *		^
Trafford Bruntwood (Clarendon House) LLP	England and Wales	Property development	50% *		^
Trafford Bruntwood (Stamford Quarter) LLP	England and Wales	Property investment	50% *		^
Trafford Bruntwood (Stretford Mall) LLP	England and Wales	Property investment	50% *		^
Stamford Quarter Nominee Holdings Limited	England and Wales	Holding company	50% *		^
Stamford Quarter Nominee Holdings No.2 Limited	England and Wales	Holding company	50% *		^
Stretford Mall Nominee Holdings Limited	England and Wales	Holding company	50% *		^
Stretford Mall Nominee Holdings No.2 Limited	England and Wales	Holding company	50% *		^
Bury Bruntwood (Millgate) LLP	England and Wales	Property investment	50% *		^
Associates					
AMR Centre Limited	England and Wales	Research and development	21%	6	^^^^
Liverpool Science Park Developments Limited	England and Wales	Dormant	25%	7	^^^^^
Liverpool Science Park Limited	England and Wales	Property development	25%	7	^^^^^
Sciontec Developments Limited	England and Wales	Holding company	25%		^^^^^

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

13 INVESTMENTS (CONTINUED)

* These companies are held through Bruntwood Limited and its subsidiary companies
1 - Held via 50% investment in both 3 Sovereign Square Holdings 1 LLP and 3 Sovereign Square Holdings 2 LLP
2 - Held via 50% investment in Bruntwood SciTech Ltd (formerly Bruntwood 2000 Limited)
3 - Bruntwood SciTech Ltd holds a 76% investment in Alderley Park Holdings Ltd, and its 100% owned subsidiaries Alderley Park Ltd and Alderley Imaging Ltd
4 - Bruntwood SciTech Ltd holds a 64% investment in Manchester Science Partnerships Ltd, and its 100% owned subsidiaries; Citylabs Ltd, Citylabs 2.0 Ltd, Citylabs 3.0 Ltd, Manchester Technopark Ltd, Mi Idea Ltd and Salford Innovation Park Ltd
5 - Bruntwood SciTech Ltd holds a 50% investment in Circle Square District Holdings Company Ltd. Circle Square District Company Ltd is a 100% owned subsidiary of Circle Square District Holdings Company Ltd
6 - Held via Bruntwood Science Ltd, a 100% owned subsidiary of Bruntwood SciTech Ltd
7 - Held via 25% investment in Sciontec Developments Limited

^ registered address Union, Albert Square, Manchester, England, M2 6LW
^^ registered address: Tempsford Hall, Sandy, Bedfordshire, SG19 2BD
^^^ registered address: The Box, Horseshoe Lane, Alderley Edge, England, SK9 7QP
^^^^ registered address: 19b70 Alderley Park, Macclesfield, Cheshire, SK10 4TG
^^^^^ registered address: Liverpool Science Park, 131 Mount Pleasant, Liverpool, L3 5TF

Audit exemption

The following subsidiary undertaking also consolidated at 30 September 2022 claimed exemption from audit under section 479A Companies Act 2006:

Subsidiaries	Country of incorporation	Activity	Company Number	Effective Proportion of ordinary shares held
Bruntwood ORS Limited	England and Wales	Development company	11372736	100%
Unify Energy Limited	England and Wales	Development company	09523118	100%
Building Sustainability Services Limited	England and Wales	Development company	10169900	100%
Manchester Gas and Power Limited	England and Wales	Development company	10029296	100%
Afflecks limited	England and Wales	Development company	06504428	100%
Salford Innovation Park Limited	England and Wales	Development company	06641140	100%
Unify Management Solutions Limited	England and Wales	Facilities company	12251773	100%

Preparation and Filing Exemption

The following subsidiary undertakings also consolidated at 30 September 2022 claimed exemption from preparation of individual company accounts under section 394A Companies Act 2006:

Subsidiaries	Country of incorporation	Activity	Company Number	Effective Proportion of ordinary shares held
Bruntwood Paragon A Limited	England and Wales	Dormant	04452281	100%
Bruntwood Paragon B Limited	England and Wales	Dormant	04452285	100%

3 Sovereign Square Holdings 1 LLP, 3 Sovereign Square Holdings 2 LLP and 3 Sovereign Square LLP are joint venture partnerships with Kier Property Developments Limited. Circle Square District Holdings Company Limited and Circle Square District Company Limited are joint venture partnerships with Affinity Living Limited. Trafford Bruntwood LLP, Trafford Bruntwood (Stamford Quarter) LLP, Trafford Bruntwood (Stretford Mall) LLP and Trafford Bruntwood (Clarendon House) LLP are joint venture partnerships with Trafford Borough Council.

14 DEBTORS

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Amounts falling due within one year:				
Trade debtors	13,270	18,978	-	-
Amounts owed by related parties (note 24)	2,935	3,550	-	2,015
Amounts owed by joint venture undertaking (note 24)	7,751	5,101	-	-
Corporation tax debtor	277	199	-	-
Other debtors and prepayments	40,439	41,793	-	28
	64,672	69,621	-	2,043
Amounts falling due after more than one year:				
Other debtors	22,432	23,427	-	-
	22,432	23,427	-	-
	87,104	93,048	-	2,043

Amounts owed by joint venture undertakings and related parties are unsecured, interest free and repayable on demand.

Other debtors at 30 September 2022 and 30 September 2021 relate to amounts receivable in relation to lease concessions offered.

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Trade creditors	6,368	9,448	-	-
Amounts owed to related parties (note 23)	1,456	1,500	1,389	1,389
Other creditors including taxation and social security	15,850	32,719	-	-
Accruals and deferred income	74,761	56,507	-	-
Amounts owed to joint venture undertaking (note 23)	219	177	-	-
Amounts owed to group undertakings	-	-	14,862	1,850
	98,654	100,351	16,251	3,239

The balances due to group undertakings, joint venture undertakings and related parties are unsecured, interest free and repayable on demand.

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Bank loans (note 17)	189,767	189,031	-	-
Other loans (note 17)	397,051	396,038	-	-
Other creditors	1,748	830	-	-
	588,566	585,899	-	-

Included within other creditors is an amount relating to the share option schemes amounting to £1.7m (2021: £0.8m).

17 LOANS

An analysis of the maturity of loans is given below:

		Group
	2022	2021
Amounts falling due between two and five years:	£000	£000
Bank loans maturing March 2023	190,000	190,000
Loan facility fees	(233)	(969)
Loans maturing May 2023	11,314	11,074
Loan facility fees	(9)	(23)
Bonds maturing 2025	86,301	85,966
Loan facility fees	(1,246)	(1,764)
	286,127	284,284
Amounts falling due in greater than five years:		
Loans maturing 2026	27,330	25,895
Loan facility fees	(248)	(262)
Loans maturing June 2036	273,297	275,914
Loan facility fees	(3,012)	(3,224)
Other loans	3,323	2,462
	300,690	300,785

In January 2023, the Group has received credit approval to extended its five-year syndicated £225m bank loan by a further 12 months and full legal documentation of this agreement will take place by the end of March 2023. It now matures at March 2024 is secured via a first fixed charge over the commercial property held by Bruntwood 2000 Beta Portfolio Limited, Bruntwood Estates Beta Portfolio Limited, Bruntwood Estates Alpha Portfolio Limited, Bruntwood 2000 Alpha Portfolio Limited, Bruntwood Cornwall Street Limited, Bruntwood Albert Square Limited, Bruntwood MBS Retail Limited, and Bruntwood 2000 (NW Regen) Limited. There is also a downstream parental guarantee from Bruntwood Estates Holdings Limited. On refinancing, the margin attached to this facility is unchanged at 2%. Drawings on this facility stand at £190m at 30 September 2022 (2021: £190.0m).

Bruntwood Trafford Holdings Limited has a seven year facility with Trafford Council maturing 2026, drawn at £27.3m (2021: £25.9m). The margin over the EU reference rate attached to this facility is 3.25%.

K Site Limited holds a facility with Trafford Council expiring May 2023. Drawings on this facility stand at £11.3m at 30 September 2022 (2021:£11.1m). Post September 2022, the facility has been extended to mature at September 2026, aligned to the maturity of the other Trafford council loans. The margin on this loan is 4% over the EU reference rate.

On 25 February 2020 Bruntwood Bond 2 plc issued £110.0m of unsecured retail bonds. The bonds were issued with a five year term expiring 25 February 2025, and with a fixed coupon of 6% payable bi-annually. £19.1m of the bonds were retained by Bruntwood Bond 2 plc and can be issued into the market if trading above par. A further £4.7m of bonds have subsequently been bought back by the group.

The market value of the retail bonds at the balance sheet date shows a "mark to market" value of £90.1m.
Bruntwood AV Ltd and Bruntwood Aviva 2 Ltd have two separate loan facilities with Aviva that are cross-collateralised so that covenants are tested on an aggregate basis. Both facilities mature in 2036. Bruntwood AV Ltd has drawn £119.8m (2021:£121m) and has a fixed rate of interest of 3.6% whilst Bruntwood Aviva 2 Ltd has drawn £153.5m (2021: £154.9m) and has a rate of 3.18% although some small margin reductions may apply subject to the achievement of certain sustainability-linked criteria.

The group also has the use of an overdraft facility agreed with The Royal Bank of Scotland with a maximum limit of £7.5m. This is secured by way of a floating charge over the assets of Bruntwood Estates Beta Portfolio Limited.

18 PROVISIONS FOR LIABILITIES

		Group
	2022	2021
Deferred tax	£000	£000
Capital allowances in excess of depreciation	32,797	33,490
Other short-term timing differences	(1,510)	(1,242)
Tax losses carried forward	(377)	(128)
Property revaluations	60,595	56,274
Listed investment revaluations	88	172
Capital losses	(44,162)	(41,841)
	47,431	46,725

	Deferred tax
	£000
At 1 October 2021	46,725
Provided during year	1,549
Adjustment in respect of prior years	(843)
At 30 September 2022	47,431

The amount of deferred tax not provided on capital losses is £7.0m (2021: £12.6m).

19 CALLED UP SHARE CAPITAL AND RESERVES

Group and company

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2022 £	2021 £
20,935,095	Non-voting 'C' Ordinary shares	£1	20,935,095	20,935,095
28,515,632	Non-voting 'D1' Ordinary D1 shares	£0.99	28,230,475	28,230,476
31,316,309	D2' Ordinary Shares	£0.01	313,163	313,163
1,111,677	Non-voting 'A' Ordinary shares	£1	1,111,677	1,083,359
40,000	Non-voting 'A' Preference shares	£1	40,000	40,000
50,000	Non-voting 'B' Preference shares	£1	50,000	50,000
			50,680,410	50,652,093

The group and company's other reserves are as follows:

The profit and loss reserve represents cumulative profit or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The capital redemption reserve represents consolidated profit and loss reserves considered to be non-distributable and therefore capitalised in prior years arising predominantly through group acquisitions and reconstructions.

The group's other reserve is as follows:

The other reserve arose on consolidation following the group reconstruction that took place on in 2012. It represented the difference between the nominal value of the shares issued by the company and the nominal value of the shares issued by its subsidiary in the share for share exchange.

20 RECONCILIATION OF PROFIT BEFORE INTEREST AND TAX TO CASH GENERATED BY OPERATIONS

	2022	2021
Group only	£000	£000
Profit before interest and tax	98,875	68,213
Adjustment for:		
Depreciation	2,590	2,138
Amortisation of intangible assets	15	26
Gain on revaluation of investment properties	(35,726)	(36,940)
Gain on disposal of investments	-	(352)
Movement in fair value of derivative instruments	-	(2,782)
Gain on disposal of investment properties	(672)	(70)
Gain on disposal of fixed assets	-	-
Other exceptional loss	2,336	8,295
Share of results of joint ventures	(33,727)	(3,888)
Operating cash flow before movement in working capital	33,691	34,640
Decrease in debtors	8,570	11,623
Decrease in creditors	(8,006)	(3,249)
Cash generated by operations	34,255	43,014

21 FINANCIAL COMMITMENTS AND OPERATING LEASES

At 30 September 2022, the group had amounts contracted for but not provided for of £18.7m for capital expenditure (2021: £6.0m).

At 30 September 2022, total minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
Leases which expire:	£000	£000
Within one year	671	643
Within two to five years	2,684	2,572
After five years	59,917	55,906
	63,272	59,121

At 30 September 2022 the future minimum lease payments receivable under non-cancellable operating leases:

	2022	2021
	£000	£000
Within one year	42,460	46,714
Within two to five years	67,662	65,993
After five years	62,867	64,692
	172,989	177,399

22 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Bruntwood Group Limited is the ultimate parent company of the largest group of which the company is a member and for which group financial statements are drawn up. The ultimate controlling party is considered by the directors to be C G Oglesby, close members of his family and Oglesby family trusts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

23 RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption under the terms of Section 33 FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year ended 30 September 2022 the group entered into the following transactions with Bruntwood SciTech Group companies, related parties by nature of the Group holding a 50% share in Bruntwood SciTech Limited and its associated subsidiaries:

Income receivable in respect of service level agreements for the provision of facilities management, utilities supply, fixed recharges in respect of overheads and project and development management;

	2022 £000	2021 £000
Alderley Park Limited	14,033	15,400
Birmingham Enterprise Wharf Limited	1	-
Bruntwood Circle Square 1 Limited	493	949
Bruntwood Circle Square 2 Limited	1,612	573
Bruntwood Circle Square 4 Limited	2,238	983
Bruntwood Circle Square 12 Limited	13	24
Bruntwood Met Tower Limited	9	-
Bruntwood Platform Leeds Limited	1,273	954
Bruntwood Science Management Services Limited	6,085	6,614
Bruntwood SciTech Melbourn Limited	410	
Circle Square District Company Limited	266	-
Circle Square Green Company Limited	76	34
Citylabs 2.0 Limited	99	69
Citylabs Limited	769	596
Innovation Birmingham Limited	1,464	1,498
Liverpool Science Park Limited	48	
Manchester Science Partnerships Limited	2,566	3,020
Sciontec Developments Limited	39	-
	31,494	30,714

Expenses payable and purchase credits receivable in respect of service charge expenditure incurred on behalf of Bruntwood Group companies and internal rent payable;

	2022 £000	2021 £000
Alderley Park Limited	2,870	1,129
Bruntwood Circle Square 1 Limited	166	192
Bruntwood Circle Square 4 Limited	-	14
Bruntwood Platform Leeds Limited	-	58
Bruntwood Science Management Services Limited	195	146
Citylabs Limited	-	28
Innovation Birmingham Limited	1	26
Manchester Science Partnerships Limited	-	31
	3,232	1,624

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

23 RELATED PARTY TRANSACTIONS (CONTINUED)

During the year the group received income from Trafford Bruntwood LLP of £705k (2021: £652k), Trafford Bruntwood (Stretford Mall) LLP of £1,685k (2021: £1,537k), Trafford Bruntwood (Stamford Quarter) LLP of £1,880k (2021: £1,597k) and Bruntwood Bury (Millagte) LLP of £242k (2021: £nil). These are related parties due to the Group's 50% share in the LLPs. Income received was in respect of development and management fees earned.

During the year the group received income from Roundthorn Group Pension and Life Assurance Scheme of £192k (2021: £155k), a related party due to the schemes trustees Mr C G Oglesby and Ms K J Vokes all being directors of this company. Income received was in respect of management fees.

The following amounts with joint venture undertakings were outstanding at the reporting dates:

	Debtor 2022 £000	Creditor 2022 £000
Alderley Park Limited	2,988	149
Bruntwood Circle Square 1 Limited (Oxford House)	109	55
Bruntwood Circle Square 2 Limited	376	-
Bruntwood Circle Square 4 Limited	400	-
Bruntwood Circle Square 12 Limited	6	6
Bruntwood Platform Leeds Limited	422	5
Bruntwood Science Management Services Limited	139	4
Bruntwood Met Tower Limited	9	-
Birmingham Enterprise Wharf Limited	1	-
Bruntwood SciTech Melbourn Limited	266	-
Circle Square District Company Limited	181	-
Circle Square Green Company Limited	25	-
Citylabs 2.0 Limited	7	-
Citylabs Limited	125	-
Innovation Birmingham Limited	455	-
Manchester Science Partnerships Limited	483	-
Sciontec Developments Limited	39	-
Liverpool Science Park Limited	1	-
Bury Bruntwood (Millgate) LLP	114	-
Trafford Bruntwood (Stamford Quarter) LLP	486	-
Trafford Bruntwood (Stretford Mall) LLP	589	-
Trafford Bruntwood LLP	530	-
	7,751	219

	2021 £000	2021 £000
Alderley Park Limited	1,327	43
Bruntwood Circle Square 1 Limited (Oxford House)	68	39
Bruntwood Circle Square 2 Limited	534	-
Bruntwood Circle Square 4 Limited	774	14
Bruntwood Circle Square 12 Limited	24	-
Bruntwood Platform Leeds Limited	80	5
Bruntwood Science Management Services Limited	846	15
Circle Square Green Company Limited	29	-
Citylabs 2.0 Limited	-	41
Citylabs Limited	108	-
Innovation Birmingham Limited	156	6
Manchester Science Partnerships Limited	112	-
Trafford Bruntwood (Stamford Quarter) LLP	202	3
Trafford Bruntwood (Stretford Mall) LLP	395	11
Trafford Bruntwood LLP	446	-
	5,101	177

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 30 September 2022

The following amounts with other related parties were outstanding at the reporting dates:

	Debtor 2022 £000	Creditor 2022 £000
Abney 2003 Limited	1,389	1,389
Roundthorn Group Pension and Life Assurance Scheme	861	-
The Oglesby Charitable Trust	275	-
Trafford Borough Council	-	38,644
CubicWorks Limited	410	67
	2,935	40,100

	2021 £000	2021 £000
Abney 2003 Limited	1,389	1,389
Roundthorn Group Pension and Life Assurance Scheme	127	-
The Oglesby Charitable Trust	275	-
Trafford Borough Council	-	36,968
Unify Management Solutions Limited	14	111
CubicWorks Limited	1,745	-
	3,550	38,468

Abney 2003 Limited is a related party due to its shareholding in this company.

The Oglesby Charitable Trust is a related party as the trustees include Mr C G Oglesby and Ms K J Vokes all being directors of this company.

Trafford Borough Council is a related party due to being 50/50 joint venture partner in Trafford Bruntwood LLP, Trafford Bruntwood (Stretford Mall) LLP and Trafford Bruntwood (Stamford Quarter) LLP. Interest of 4% plus EU reference rate was charged on the balance throughout the year and expensed to the profit and loss account.

CubicWorks Limited are related parties as the directors include Mr C G Oglesby and Ms K J Vokes, both being directors of this company.

On 1st February 2022 the Group acquired 100 percent of the issued share capital of Unify Management Solutions Limited, and is therefore no longer a related party to the Group. The values shown in the table above relate to the period prior to the acquisition.

All related party balances are unsecured, do not accrue interest and are expected to be settled in cash.

24 SUBSEQUENT EVENTS

In January 2023, the Group received credit approval from the MTL banking syndicate for a tweleve month extension to March 2024 of it's Medium Term Loan (MTL) facility of £225m. Full legal documentation of this agreement will take place by the end of March 2023.