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# **BROADGATE (CASH MANAGEMENT) LIMITED**

## **ANNUAL REPORT & ACCOUNTS**

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**Year ended 31 March 2001**

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**Company number 3724284**

## **BROADGATE (CASH MANAGEMENT) LIMITED**

### **REPORT OF THE DIRECTORS for the year ended 31 March 2001**

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The directors present their Report and Accounts for the year ended 31 March 2001.

#### **Principal activity**

The principal activity of the company is to provide cash management services to the Broadgate Property Holdings Limited group of companies.

#### **Review of business and prospects**

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

Details of significant events since the balance sheet date are contained in note 12 of the accounts.

#### **Results and dividends**

The results for the period are set out in the profit and loss account on page 4. The directors do not recommend the payment of a dividend (2000 - £Nil).

#### **Directors**

The directors who served during the year were:

J H Ritblat  
J H Weston Smith  
N S J Ritblat  
R E Bowden  
S Adam (deceased 27 February 2001)  
L M Bell  
A Braine  
P C Clarke

The directors greatly regret to announce the untimely death on 27 February 2001 of Shen Adam FCA, a director of the company.

The directors' interests in the share and loan capital of the company are set out in note 9 to the accounts.

#### **Statement of directors' responsibilities**

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BROADGATE (CASH MANAGEMENT) LIMITED**

**REPORT OF THE DIRECTORS  
for the year ended 31 March 2001**

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**Annual General Meeting**

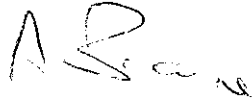
At the Annual General Meeting of the company held on 26 January 2000 Elective Resolutions were passed to dispense with the following requirements:

- to lay accounts and reports before a general meeting of the company
- to appoint auditors annually
- to hold annual general meetings in the future.

**Auditors**

The auditors, Arthur Andersen, are willing to continue in office.

This report was approved by the Board on 26 July 2001



**A Braine**  
Secretary

10 Cornwall Terrace  
Regent's Park  
London NW1 4QP

**BROADGATE (CASH MANAGEMENT) LIMITED**

**REPORT OF THE AUDITORS  
for the year ended 31 March 2001**

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**To the Shareholders of Broadgate (Cash Management) Limited**

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

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

**Basis of opinion**

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

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

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 2001 and of the company's results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen  
Chartered Accountants and Registered Auditors**

1 Surrey Street  
London  
WC2R 2PS

**BROADGATE (CASH MANAGEMENT) LIMITED****PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 March 2001**

		<b>2001</b>	<b>2000</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>			
Fees and Commissions		26,000	26,000
		<u>26,000</u>	<u>26,000</u>
Cost of turnover		-	-
<b>Gross profit</b>	<b>2</b>	<u>26,000</u>	<u>26,000</u>
<b>Operating profit</b>		<u>26,000</u>	<u>26,000</u>
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	26,000	26,000
Taxation	<b>5</b>	(7,800)	(7,800)
<b>Profit on ordinary activities after taxation</b>		<u>18,200</u>	<u>18,200</u>
<b>Retained profit for the financial year</b>	<b>10</b>	<u>18,200</u>	<u>18,200</u>

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

There were no recognised gains or losses other than those reported above.

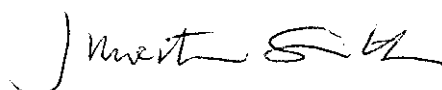
All amounts are stated at historical costs.

The accompanying notes are an integral part of these accounts.

**BROADGATE (CASH MANAGEMENT) LIMITED**

**BALANCE SHEET**  
As at 31 March 2001

	Note	2001		2000	
		£	£	£	£
<b>Current assets</b>					
Debtors	6	-		2	
Cash at bank		52,002		26,000	
		<u>52,002</u>		<u>26,002</u>	
<b>Creditors due within one year</b>	7	<u>(15,600)</u>		<u>(7,800)</u>	
<b>Net current assets</b>			36,402		18,202
<b>Total assets less current liabilities</b>			<u>36,402</u>		<u>18,202</u>
<b>Net assets</b>			<u>36,402</u>		<u>18,202</u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Profit and loss account	10		36,400		18,200
<b>Equity shareholders' funds</b>	10		<u>36,402</u>		<u>18,202</u>

  
J H Weston Smith

  
N S J Ritblat  
Directors

Approved by the board on 26 July 2001

The accompanying notes are an integral part of this Balance Sheet.

## **BROADGATE (CASH MANAGEMENT) LIMITED**

### **NOTES TO THE ACCOUNTS for the year ended 31 March 2001**

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#### **1. Accounting policies**

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

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

#### **Accounting basis**

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

#### **Cash flow statement**

In accordance with FRS 1 (Revised), the company is exempt from preparing a cash flow statement. The company's cash flow is included in the group cash flow statement prepared by The British Land Company PLC.

#### **Turnover**

Turnover represents fees receivable in respect of cash management services.

#### **Properties**

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

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

#### **Investments**

Investments in associated companies are stated at cost or directors' valuation.

#### **Taxation**

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

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

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

# BROADGATE (CASH MANAGEMENT) LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 March 2001

### 2. Gross profit

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

	2001 £	2000 £
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### 3. Profit (loss) on ordinary activities before taxation

Profit (loss) on ordinary activities before taxation is stated after charging (crediting):

Amortisation and depreciation	-	-
Auditors remuneration for audit services	-	-
Operating lease rentals	-	-

Amounts payable to Arthur Andersen and their associates by the company in respect of non-audit services were £Nil (2000 - £Nil).

	2001 £	2000 £
Wages and salaries	-	-
Social security costs	-	-
Pension costs	-	-

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

Average number of employees including directors of the company during the year was Nil (2000 - Nil).

	2001 £	2000 £
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UK corporation tax – current year	7,800	7,800
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	2001 £	2000 £
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Amounts owed by group companies	-	2
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	2001 £	2000 £
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Corporation tax	15,600	7,800
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	£
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Authorised	
100 ordinary shares of £1 each	100

At 31 March 2000 and 31 March 2001	100
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Issued and fully paid	
2 ordinary shares of £1	2

At 31 March 2000 and 31 March 2001	2
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**BROADGATE (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS  
for the year ended 31 March 2001**

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

No director held a beneficial interest in the share capital of the company. Messrs. J H Ritblat, J H Weston Smith, N S J Ritblat, and R E Bowden are also directors of The British Land Company PLC and, as such, their interests in the share and loan capital, including share options, of that company are shown in the accounts of the ultimate holding company. The beneficial interests of the other directors in the ultimate holding company are as follows:-

	Fully paid Ordinary shares		6% Irredeemable Convertible Bonds (£ nominal)		Options over ordinary shares 1984 Option Scheme				Sharesave Scheme	
	31 March 2001	1 April 2000	31 March 2001	1 April 2000	31 March 2001	1 April 2000	31 March 2001	1 April 2000	31 March 2001	1 April 2000
L M Bell	6,745	6,220	-	-	52,925	52,925	-	-	-	5,340
A Braine	9,769	7,744	-	-	42,382	42,382	2,728	-	2,728	2,728
P C Clarke	5,258	3,233	-	-	30,968	30,968	2,791	-	2,791	2,791

	Rights under Restricted Share Plan			
	Ordinary shares		6% Irredeemable Convertible Bonds (£ nominal)	
	31 March 2001	1 April 2000	31 March 2001	1 April 2000
L M Bell	19,270	6,770	25,000	50,000
A Braine	19,270	6,770	34,000	68,000
P C Clarke	22,171	9,671	20,000	40,000

**BROADGATE (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2001**

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

	Share capital £	Profit and loss account £	Total £
At 1 April 2000	2	18,200	18,202
Retained profit for the year	-	18,200	18,200
At 31 March 2001	<u>2</u>	<u>36,400</u>	<u>36,402</u>

**11. Related parties**

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

**12. Subsequent events**

There have been no significant events since the year end.

**13. Ultimate holding company**

The immediate parent company is Broadgate Property Holdings Limited.

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