
Bluebutton (5 Broadgate) UK Limited

Annual Report and Accounts

Year ended 31 March 2017

Company number: 07316457



Bluebutton (5 Broadgate) UK Limited

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for the year ended 31 March 2017

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Bluebutton (5 Broadgate) UK Limited

STRATEGIC REPORT for the year ended 31 March 2017

The directors present their Strategic Report for the year ended 31 March 2017.

Principal activities

Bluebutton (5 Broadgate) UK Limited ("the company") is a wholly owned subsidiary of Bluebutton HoldCo 5 Broadgate (Jersey) Limited and operates as a constituent of the Broadgate REIT Limited group of companies ("the group"). Broadgate REIT Limited operates as a joint venture between Euro Bluebell LLP, an affiliate of GIC, Singapore's sovereign wealth fund, and BL Bluebutton 2014 Limited, a wholly owned subsidiary of The British Land Company PLC.

The company's principal activity is property investment in the United Kingdom.

Business review

As shown in the profit and loss account on page 6, the turnover is £35,324,908 compared to a turnover of £27,132,593 in the prior year and profit on ordinary activities before taxation is £63,118,445 compared to profit on ordinary activities before taxation of £89,031,156 in the prior year. The increase in turnover was due to a tenant taking occupation of the company's investment property in the year. The reduced level of profit was principally driven by lower levels of investment property revaluation gains compared to the prior year.

Dividends of £8,100,000 (2016: £nil) were paid in the year.

The balance sheet on page 8 shows the company's financial position at the year end with net assets of £692,720,882 compared to £637,704,161 at 31 March 2016.

The value of investment properties held as at 31 March 2017 increased by 6.8% due to revaluation movements and additions in the year then ended as shown in note 8.

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

Principal risks and uncertainties

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

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

- demand for space from occupiers against available supply;
- identification and execution of investment and development strategies which are value enhancing;
- availability of financing or refinancing at an acceptable cost;
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values;
- legislative changes, including planning consents and taxation;
- engagement of development contractors with strong covenants; and
- environmental and health and safety policies.

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

The financial risks for the group are disclosed in the consolidated group accounts.

This report was approved by the Board on 02/10/17 and signed by the order of the board by:


HURSH SHAH
Director

Bluebutton (5 Broadgate) UK Limited

DIRECTORS' REPORT for the year ended 31 March 2017

The directors present their Annual Report on the affairs of the company, together with the audited financial statements for the year ended 31 March 2017.

Environment

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

Directors

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

S Barzycki (resigned 24 February 2017)
M Cosgrave
D Devani
N Harris (resigned 21 December 2016)
T Roberts
H Shah
N Cahoon (appointed 24 February 2017)
D Lockyer (appointed 24 February 2017)

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosures Framework. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosures Framework has 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 company has indemnified its current directors. The indemnity arrangements are qualifying indemnity provisions under the Companies Act 2006 and are currently in force at the date of this Annual Report.

Subsequent events

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

Going concern

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

Bluebutton (5 Broadgate) UK Limited

DIRECTORS' REPORT (CONTINUED)
for the year ended 31 March 2017

Disclosure of information to auditors

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

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

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Board Meeting.

This report was approved by the Board on 02/10/17 and signed by the order of the board by:



HURSH SHAN
Director

Bluebutton (5 Broadgate) UK Limited

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BLUEBUTTON (5 BROADGATE) UK LIMITED
for the year ended 31 March 2017**

Report on the financial statements

Our opinion

In our opinion, Bluebutton (5 Broadgate) UK Limited's financial statements ("the financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Account (the "Annual Report"), comprise:

- the Balance Sheet as at 31 March 2017;
- the Profit and Loss Account and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Bluebutton (5 Broadgate) UK Limited

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BLUEBUTTON (5 BROADGATE) UK LIMITED (CONTINUED)
for the year ended 31 March 2017**

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

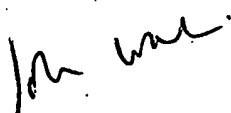
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.


John Waters (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London, UK

4 October 2017

Bluebutton (5 Broadgate) UK Limited**PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2017**

	Note	2017 £	2016 £
Turnover	2	35,324,908	27,132,593
Cost of sales		(30,451)	(21,636)
Gross profit		35,294,457	27,110,957
Administrative expenses		(1,029,412)	(667,996)
Operating profit		34,265,045	26,442,961
Revaluation of investment properties	8	28,844,788	64,944,629
Profit on ordinary activities before taxation and interest		63,109,833	91,387,590
Interest receivable and similar income	5	8,612	25,311
Interest payable and similar charges	6	-	(2,381,745)
Profit on ordinary activities before taxation	3	63,118,445	89,031,156
Tax on profit on ordinary activities	7	(1,724)	(5,062)
Profit for the financial year		63,116,721	89,026,094

Turnover and results are derived from continuing operations within the United Kingdom. The company has one significant class of business, that of property investment in the United Kingdom.

Bluebutton (5 Broadgate) UK Limited

**STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2017**


	2017 £	2016 £
Profit for the financial year	63,116,721	89,026,094
Total comprehensive income for the year	<u>63,116,721</u>	<u>89,026,094</u>

Bluebutton (5 Broadgate) UK Limited

**BALANCE SHEET
as at 31 March 2017**

	Note	2017 £	2016 £
Fixed assets			
Investment properties	8	996,000,000	928,500,000
Investments	9	20,723	20,723
		<u>996,020,723</u>	<u>928,520,723</u>
Current assets			
Debtors	10	16,450,325	1,891,057
Cash at bank and in hand		1,382,473	16,748,798
		<u>17,832,798</u>	<u>18,639,855</u>
Creditors due within one year	11	<u>(321,132,639)</u>	<u>(309,456,417)</u>
Net current liabilities		<u>(303,299,841)</u>	<u>(290,816,562)</u>
Net assets		<u>692,720,882</u>	<u>637,704,161</u>
Capital and reserves			
Called up share capital	12	235,718,934	235,718,934
Profit and loss account		457,001,948	401,985,227
Total equity		<u>692,720,882</u>	<u>637,704,161</u>

The financial statements of Bluebutton (5 Broadgate) UK Limited, company number 07316457, on pages 6 to 16, were approved by the Board of Directors and authorised for issue on 02/10/17 and signed on its behalf by:


HURSH SHAH
Director

Bluebutton (5 Broadgate) UK Limited**STATEMENT OF CHANGES IN EQUITY**
for the year ended 31 March 2017

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2015	235,718,934	312,959,133	548,678,067
Profit for the financial year	-	89,026,094	89,026,094
Total comprehensive income for the year	-	89,026,094	89,026,094
Balance at 31 March 2016	235,718,934	401,985,227	637,704,161
Profit for the financial year	-	63,116,721	63,116,721
Total comprehensive income for the year	-	63,116,721	63,116,721
Dividends payable in year	-	(8,100,000)	(8,100,000)
Balance at 31 March 2017	235,718,934	457,001,948	692,720,882

Bluebutton (5 Broadgate) UK Limited

NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017

1. Accounting policies

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

Basis of preparation

This company is incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is York House, 45 Seymour Street, London, W1H 7LX.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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

The financial statements have been prepared under the historical cost convention, modified for fair value accounting on investment properties. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Broadgate REIT Limited.

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

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

Disclosure exemptions for subsidiaries are permitted where the relevant disclosures requirements are met in the consolidated financial statements. Where required equivalent disclosures are given in the group accounts of the Broadgate REIT Limited. The group accounts of Broadgate REIT Limited are available to the public and can be obtained as set out in note 17.

Significant judgements and sources of estimation uncertainty

The key source of estimation uncertainty relates to the valuation of the property portfolio and investments, where an external valuation is obtained. In accounting for net rental income, the group is required to judge the recoverability of any income accrued and provides against the credit risk on these amounts. The potential for management to make judgements or estimates relating to those items which would have a significant impact on the financial statements is considered, by the nature of the group's business, to be limited.

Going concern

The Balance Sheet shows that the company has net current liabilities. The directors have reviewed the company's working capital and cash flow requirements, along with considering that the company is part of and has the support of a wider Group of companies.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully in the current economic climate. Accordingly, they believe the going concern basis is an appropriate one.

**NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017**

1. Accounting policies (continued)

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequently to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Any surplus or deficit arising on revaluing investment properties is recognised in the Profit and Loss Account.

Where properties held for investment are appropriated to trading stock, they are transferred at market value. If properties held for trading are appropriated to investment, they are transferred at book value.

Interest receivable

Interest income is recognised in profit or loss as it accrues, using the effective interest method.

Investments

Fixed asset investments are stated at the lower of cost and the underlying net asset value of the investments.

Other financial liabilities/borrowings

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

The group classified all financial assets into the category debtors. They are subsequently measured at amortised cost.

Taxation

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

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

Net rental income

Rental income is recognised on an accruals basis. A rent adjustment based on open market estimated rental value is recognised from the rent review date in relation to unsettled rent reviews. Where a rent-free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earliest termination date.

Rental income from fixed and minimum guaranteed rent reviews is recognised on a straight-line basis over the shorter of the entire lease term or the period to the first break option. Where such rental income is recognised ahead of the related cash flow, an adjustment is made to ensure that the carrying value of the related property including the accrued rent does not exceed the external valuation. Initial direct costs incurred in negotiating and arranging a new lease are amortised on a straight-line basis over the period from the date of lease commencement to the earliest termination date.

Where a lease incentive payment, including surrender premiums paid, does not enhance the value of a property, it is amortised on a straight-line basis over the period from the date of lease commencement to the earliest termination date. Upon receipt of a surrender premium for the early determination of a lease, the profit, net of dilapidations and non-recoverable outgoings relating to the lease concerned, is immediately reflected in income.

Bluebutton (5 Broadgate) UK Limited

**NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017**

2. Turnover

	2017 £	2016 £
Rental income	35,324,908	27,132,593
Total turnover	<u>35,324,908</u>	<u>27,132,593</u>

3. Profit on ordinary activities before taxation

A notional charge of £3,800 (2016: £5,000) is deemed payable to PricewaterhouseCoopers LLP in respect of the audit of the financial statements. Actual amounts payable to PricewaterhouseCoopers LLP are paid by Bluebutton Properties UK Limited.

No non-audit fees were paid to PricewaterhouseCoopers LLP (2016: £nil).

4. Staff costs

No director received any remuneration for services to the company in either year. The remuneration of the directors was borne by another company, for which no apportionment or recharges were made.

Average number of employees, excluding directors, of the company during the year was nil (2016: nil).

5. Interest receivable and similar income

	2017 £	2016 £
Interest on cash and cash equivalents	8,612	25,311
	<u>8,612</u>	<u>25,311</u>

6. Interest payable and similar charges

	2017 £	2016 £
External - loan arrangement fees	-	176,846
- movement in interest rate derivative	-	189,640
Intercompany interest payable	-	2,015,259
	<u>-</u>	<u>2,381,745</u>

On 3 August 2015 the 5 Broadgate Development loan which British Land held with the Broadgate JV was repaid in full. Any intercompany interest payable and related costs to this loan are now shown as £nil in the current period.

Bluebutton (5 Broadgate) UK Limited

**NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017**

7. Tax on profit on ordinary activities

	2017 £	2016 £
Current tax		
UK corporation tax	1,724	5,062
Total current taxation charge	<u>1,724</u>	<u>5,062</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax charge	<u>-</u>	<u>-</u>
Total taxation charge	<u>1,724</u>	<u>5,062</u>
Tax reconciliation		
Profit on ordinary activities before taxation	63,118,445	89,031,156
Tax on profit on ordinary activities at UK corporation tax rate of 20% (2016: 20%)	12,623,689	17,806,231
Effects of:		
REIT exempt income and gains	(4,680,546)	(2,208,473)
Capitalised Interest	-	(400,097)
Increase in fair value of investment property	(5,768,957)	(12,988,926)
Expenses not deductible for tax purposes	5,145	4,327
Capital allowances	(2,177,607)	(2,208,000)
Total tax charge	<u>1,724</u>	<u>5,062</u>

Reductions to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) were substantively enacted on 26 October 2015. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. These rate reductions have been reflected in the calculation of deferred tax at the Balance Sheet date, where relevant.

Bluebutton (5 Broadgate) UK Limited

**NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017**

8. Investment properties

	Total £
At valuation	
1 April 2016	928,500,000
Additions	14,169,382
Lease incentives and rent review receivables	24,485,830
Revaluation of investment properties	28,844,788
31 March 2017	996,000,000
1 April 2015	798,200,000
Additions	38,222,778
Lease incentives and rent review receivables	27,132,593
Revaluation of investment properties	64,944,629
31 March 2016	928,500,000
Analysis of cost and valuation	
31 March 2017	
Cost	585,872,360
Revaluation	410,127,640
Net book value	996,000,000
31 March 2016	
Cost	547,217,148
Revaluation	381,282,852
Net book value	928,500,000

At 31 March 2017, the book value of freehold investment properties owned by the company was £996,000,000 (2016: £928,500,000).

Investment properties are valued by adopting the "investment method" of valuation. This approach involves applying capitalisation yields to current and estimated future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and 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.

Properties were valued as at 31 March 2017 by Knight Frank LLP on the basis of Market Value, in accordance with the RICS Valuation - Professional Standards 2014, Ninth Edition, published by The Royal Institution of Chartered Surveyors.

The company leases out all of its investment properties under operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2017 £	2016 £
Less than one year	38,974,076	35,148,656
Between one and five years	155,896,304	139,998,059
Greater than five years	443,673,119	171,354,732
Total	638,543,499	346,501,447

Bluebutton (5 Broadgate) UK Limited

NOTES TO THE ACCOUNTS (CONTINUED) for the year ended 31 March 2017

9. Investments

	Shares in subsidiaries £	Participating interests £	Total £
At cost or underlying net asset value of investment			
1 April 2016	16,324	4,399	20,723
31 March 2017	16,324	4,399	20,723
Provision for underlying net asset change			
1 April 2016	(258,197,925)	-	(258,197,925)
31 March 2017	(258,197,925)	-	(258,197,925)
At cost			
31 March 2017	258,214,249	4,399	258,218,648
31 March 2016	258,214,249	4,399	258,218,648

The company has investments in the following subsidiaries, unless noted otherwise the registered address of each company is York House, 45 Seymour Street, London, W1H 7LX.

Subsidiary	Principal activity	Interest	Country
4 Broadgate 2010 Limited	Non-trading	100%	United Kingdom
6 Broadgate 2010 Limited	Non-trading	100%	United Kingdom

At 31 March 2017, the company held the beneficial ownership of 17,595 shares of £1 each, 25 pence paid, being 35% of the issued share capital of Broadgate Circle Management Limited, a company engaged in estate management and the provision of property services in the United Kingdom. The cost at 31 March 2017 was £4,399 (2016: £4,399).

10. Debtors

	2017 £	2016 £
Trade debtors	-	75,224
Amounts owed by group companies - current accounts	15,943,184	319,183
Other debtors	416,635	416,635
Other taxation and social security	-	965,898
Prepayments and accrued income	90,506	114,117
	16,450,325	1,891,057

Amounts due from group companies are repayable on demand. There is no interest charged on these balances.

Bluebutton (5 Broadgate) UK Limited

**NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017**

11. Creditors due within one year

	2017 £	2016 £
Amounts owed to group companies - current accounts	309,820,174	303,807,803
Accruals and deferred income	9,481,692	5,648,614
Other taxation and social security	1,822,831	-
Trade creditors	2,880	-
Corporation tax	5,062	-
	<u>321,132,639</u>	<u>309,456,417</u>

Amounts owed to group companies are repayable on demand. Interest is charged on these balances in accordance with the group policy on intercompany loan accounts.

12. Called up share capital

	2017 £	2016 £
Issued share capital - allotted, called up and fully paid		
Ordinary shares of £1.00 each		
Balance as at 1 April and 31 March: 235,718,934 shares	<u>235,718,934</u>	<u>235,718,934</u>

13. Capital commitments

The company had capital commitments contracted as at 31 March 2017 of £122,235 (2016: £19,871,414).

14. Contingent liabilities

The company had no contingent liabilities as at 31 March 2017 (2016: £nil).

15. Related parties

During the year, Bluebutton Property Management UK Limited recharged £19,092,412 (2016: £51,926,983) of development costs to Bluebutton (5 Broadgate) UK Limited. Bluebutton Property Management UK Limited is a joint venture between The British Land Company PLC and BRE/Brick Limited.

During the year, Bluebutton (5 Broadgate) UK Limited incurred £400,000 (2016: £1,160,000) in development fees from British Land Property Management Limited. British Land Property Management Limited is a subsidiary of The British Land Company PLC.

During the year, commitment fees of £nil (2016: £252,045) and interest of £nil (2016: £3,545,151) have been paid to The British Land Company PLC.

16. Subsequent events

There have been no significant events since the year end.

17. Immediate parent and ultimate holding company

The immediate parent company is Bluebutton HoldCo 5 Broadgate (Jersey) Limited and the ultimate holding company is Broadgate REIT Limited. Broadgate REIT Limited operates as a joint venture between EuroBluebell LLP, an affiliate of GIC, Singapore's sovereign wealth fund, and BL Bluebutton 2014 Limited, a wholly owned subsidiary of The British Land Company PLC.

Broadgate REIT Limited is the parent company of the smallest and largest group for which group accounts are available and which include the company. The accounts of Broadgate REIT Limited can be obtained from The British Land Company PLC, York House, 45 Seymour Street, London, W1H 7LX.