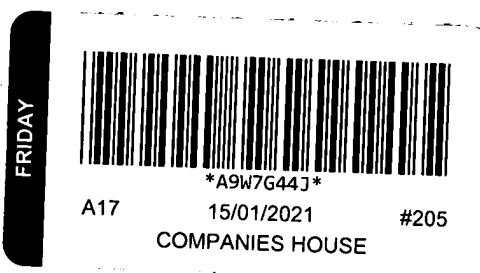


Registration number: 08034527

Bluebutton Developer Company (2012) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020



Bluebutton Developer Company (2012) Limited

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Bluebutton Developer Company (2012) Limited

Strategic Report for the Year Ended 31 March 2020

The directors present their Strategic Report for the year ended 31 March 2020.

Business review and principal activities

Bluebutton Developer Company (2012) Limited ("the company") is a wholly owned subsidiary of Bluebutton Properties UK Limited and operates as a constituent of 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 development in the United Kingdom (UK). Through this activity the company supports the strategy of its fellow joint venture companies.

As shown in the company's Profit and Loss Account on page 7, the company's turnover of £45,343 has increased by £45,343 compared with turnover of £nil in the prior year. This is due to fees received from Broadgate (PHC 15a) Limited and Broadgate (PHC 6) 2005 Limited on practical completion of the developments.

Profit on ordinary activities before taxation is £45,343 compared to a result on ordinary activities before taxation of £nil in the prior year. This is a result of the turnover increase as described above.

Dividends of £nil (2019: £nil) were paid in the year.

The Balance Sheet on page 9 shows that the company's financial position at the year end has, in net assets terms, increased compared with the prior year.

The expected future developments of the company are determined by the strategy of the group.

Key performance indicators

The directors measure how the group, of which this company is a member, is delivering its strategy through the key performance indicators.

The Board of the group uses total return, to monitor the performance of the group. This is a measure of growth in total equity per share, adding back any current year dividend.

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

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

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

Bluebutton Developer Company (2012) Limited

Strategic Report for the Year Ended 31 March 2020 (continued)

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

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

The financial risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group financial statements. The general risk environment in which the group operates has heightened over the course of the year, which is largely due to the continued level of uncertainty associated with the future impact of the UK's exit from the EU, the significant deterioration in the UK retail market and weaker investment markets.

The outbreak of COVID-19 has created a unprecedented degree of uncertainty over both the severity of the above risks and the effectiveness of the above mitigating actions. The decline in economic activity resulting from the pandemic has heightened the risk of tenants becoming financially distressed. The pandemic has also reduced the degree of certainty around the valuation of the properties, and around the availability and pricing of finance.

11/12/2020

Approved by the Board on and signed on its behalf by:

DocuSigned by:

David Lockyer

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David Lockyer

Director

Bluebutton Developer Company (2012) Limited

Directors' Report for the Year Ended 31 March 2020

The directors present their report and the audited financial statements for the year ended 31 March 2020.

Directors of the company

The directors, who held office during the year, and up to the date of signing the financial statements, were as follows:

M Cosgrave

D Devani (resigned 24 October 2019)

H Shah

D I Lockyer

N Cahoon

D Richards

D Nigam (appointed 24 October 2019)

Directors' responsibilities statement

The directors acknowledge their responsibilities 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 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.

Environmental matters

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 the safe disposal of manufacturing waste, recycling and reducing energy consumption.

Bluebutton Developer Company (2012) Limited

Directors' Report for the Year Ended 31 March 2020 (continued)

Going concern

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the current economic climate and the uncertainty resulting from the outbreak of COVID-19. Accordingly, they believe the going concern basis is an appropriate one.

Subsequent Events

Details of significant events since the Balance Sheet date, if any, are contained in note 14.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of 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.

11/12/2020

Approved by the Board on and signed on its behalf by:

DocuSigned by:

David Lockyer

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David Lockyer

Director

Independent auditors' report to the members of Bluebutton Developer Company (2012) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bluebutton Developer Company (2012) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2020; the Profit and Loss Account, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

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

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

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

Independent auditors' report to the members of Bluebutton Developer Company (2012) Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Victoria Tallon

Victoria Tallon (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 December 2020

Bluebutton Developer Company (2012) Limited**Profit and Loss Account for the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Turnover	4	<u>45,343</u>	<u>-</u>
Operating profit		<u>45,343</u>	<u>-</u>
Profit on ordinary activities before taxation		45,343	-
Taxation	7	<u>(8,615)</u>	<u>-</u>
Profit for the year		<u><u>36,728</u></u>	<u><u>-</u></u>

Turnover and results were derived from continuing operations within the United Kingdom. The company has only one class of business, that of property development in the United Kingdom (UK).

The notes on pages 11 to 15 form an integral part of these financial statements.

Bluebutton Developer Company (2012) Limited

Statement of Comprehensive Income for the Year Ended 31 March 2020

	2020	2019
	£	£
Profit for the year	36,728	-
Total comprehensive income for the year	36,728	-

The notes on pages 11 to 15 form an integral part of these financial statements.

Bluebutton Developer Company (2012) Limited

(Registration number: 08034527)

Balance Sheet as at 31 March 2020

	Note	31 March 2020 £	31 March 2019 £
Current assets			
Debtors	8	<u>10,153,347</u>	<u>12,832,345</u>
		10,153,347	12,832,345
Creditors due within one year	9	<u>(10,115,619)</u>	<u>(12,831,345)</u>
Net assets		<u>37,728</u>	<u>1,000</u>
Capital and reserves			
Share capital	10	1,000	1,000
Profit and loss account		<u>36,728</u>	<u>-</u>
Total shareholders' funds		<u>37,728</u>	<u>1,000</u>

Approved by the Board on 11/12/2020 and signed on its behalf by:

DocuSigned by:

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 David Lockyer
 Director

The notes on pages 11 to 15 form an integral part of these financial statements.

Bluebutton Developer Company (2012) Limited**Statement of Changes in Equity for the Year Ended 31 March 2020**

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2018	1,000	-	1,000
Total comprehensive income/(expense) for the year	-	-	-
Balance at 31 March 2019	<u>1,000</u>	<u>-</u>	<u>1,000</u>
 Balance at 1 April 2019	 1,000	 -	 1,000
Profit for the year	-	36,728	36,728
Total comprehensive income for the year	-	36,728	36,728
Balance at 31 March 2020	<u>1,000</u>	<u>36,728</u>	<u>37,728</u>

The notes on pages 11 to 15 form an integral part of these financial statements.

Bluebutton Developer Company (2012) Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom.

The address of its registered office is:

York House
45 Seymour Street
London
W1H 7LX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Summary of disclosure exemptions

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.

Bluebutton Developer Company (2012) Limited

**Notes to the Financial Statements for the Year Ended 31 March 2020
(continued)**

2 Accounting policies (continued)

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group financial statements of Broadgate REIT Limited. The group financial statements of Broadgate REIT Limited are available to the public and can be obtained as set out in note 15.

Going concern

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the current economic climate and the uncertainty resulting from the outbreak of COVID-19. Accordingly, they believe the going concern basis is an appropriate one.

Adoption status of relevant new financial reporting standards and interpretations

During the year the company adopted the following standard:

IFRS 16 - Leases

The new standard results in almost all leases held as lessee being recognised on the balance sheet, as the new distinction between operating and finance leases is removed. The accounting for lessors has not significantly changed. The company has no leases and therefore the adoption of this new accounting policy has not had a material impact on the financial statements.

Apart from the changes in the standard highlighted above, no other standards, interpretations and amendments effective for the first time from 1 April 2019 have had a material effect on the financial statements.

Turnover

Turnover is the total amount receivable by the company for services provided excluding VAT and trade discounts. This comprises fees and commissions where the company provides services to Bluebutton Properties UK Limited group in the United Kingdom. This income is recognised when the company has obtained the right to consideration.

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. 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).

Debtors

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate. The Company calculates the expected credit loss for debtors based on lifetime expected credit losses under the IFRS 9 simplified approach.

Creditors

Trade and other creditors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate.

3 Significant accounting judgements and key sources of estimation uncertainty

There are no such relevant judgements or estimates.

4 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

Bluebutton Developer Company (2012) Limited**Notes to the Financial Statements for the Year Ended 31 March 2020
(continued)****4 Turnover (continued)**

	2020 £	2019 £
Other revenue	45,343	-
	<u>45,343</u>	<u>-</u>

5 Auditors' remuneration

A notional charge of £3,543 (2019: £4,040) is deemed payable to PricewaterhouseCoopers LLP in respect of the audit of the financial statements for the year ended 31 March 2020. Actual amounts payable to PricewaterhouseCoopers LLP are paid by Bluebutton Properties UK Limited.

No non-audit fees (2019: £nil) were paid to PricewaterhouseCoopers LLP.

6 Staff costs

No director (2019: nil) received any remuneration for services to the company in either year. The remuneration of the directors was borne by other companies, for which no apportionment or recharges were made. The value of this service was negligible.

Average number of employees, excluding directors, of the company during the year was nil (2019: nil).

7 Tax on profit/loss on ordinary activities

	2020 £	2019 £
Current taxation		
UK corporation tax	8,615	-
Tax charge in the profit and loss account	<u>8,615</u>	<u>-</u>
	2020 £	2019 £
Tax reconciliation		
Profit/loss on ordinary activities before taxation	45,343	-
Tax on profit/loss on ordinary activities at UK corporation tax rate of 19% (2019: 19%)	8,615	-
Effects of:		
Group relief	(8,615)	-
Consideration paid for group relief	<u>8,615</u>	<u>-</u>
Total tax charge	<u>8,615</u>	<u>-</u>

On 17 March 2020 legislation was substantially enacted confirming that the tax rate would not be reduced from 1 April 2020 but would remain at 19%.

Bluebutton Developer Company (2012) Limited**Notes to the Financial Statements for the Year Ended 31 March 2020
(continued)****8 Debtors**

	31 March 2020 £	31 March 2019 £
Amounts due from related parties	5,307,983	12,729,018
Other debtors	4,845,364	103,327
	10,153,347	12,832,345

Debtors from related parties relate to amounts due from group companies which are repayable on demand. There is no interest charged on these balances.

9 Creditors due within one year

	31 March 2020 £	31 March 2019 £
Trade creditors	4,603,477	1,431,600
Accrued expenses	28,957	-
Amounts due to related parties	4,588	332,223
Social security and other taxes	5,478,597	8,751,901
Other creditors	-	2,315,621
	10,115,619	12,831,345

Amounts due to related parties relate to amounts owed to group companies which are repayable on demand. There is no interest charged on these balances.

10 Share capital**Allotted, called up and fully paid shares**

	No.	31 March 2020 £	No.	31 March 2019 £
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

11 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2019: £nil).

Bluebutton Developer Company (2012) Limited

**Notes to the Financial Statements for the Year Ended 31 March 2020
(continued)**

12 Contingent liabilities

The company had no contingent liabilities at 31 March 2020 (2019: £nil).

13 Related party transactions

During the year, Bluebutton Developer Company (2012) Limited paid £3,908,088 (2019: £3,527,605) of development fees to British Land Property Management Limited. British Land Property Management Limited is a wholly owned subsidiary of The British Land Company PLC.

14 Subsequent events

There have been no significant events since the year end.

15 Parent and ultimate parent undertaking

The immediate parent company is Bluebutton Properties UK Limited.

The ultimate parent company is Broadgate REIT Limited. 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.

Broadgate REIT Limited is the smallest and largest group for which group financial statements are available and which include the company. The ultimate holding company and controlling party is Broadgate REIT Limited. Group financial statements for this company are available on request from British Land, York House, 45 Seymour Street, London, W1H 7LX.