

Registration number: 05316365

Broadgate Financing PLC

Interim Report and Financial Statements

for the six months ended 30 September 2024

Broadgate Financing PLC

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Broadgate Financing PLC

Directors' Report for the six months ended 30 September 2024

The Directors present their report and unaudited interim financial statements for the six months ended 30 September 2024.

Directors of the Company

The Directors, who held office during the period, and up to the date of signing the interim financial statements, were as follows:

D Lockyer

H Shah

D W Richards (resigned 18 October 2024)

The following director was appointed after the period end:

K M Cleveland (appointed 18 October 2024)

Principal activity

Broadgate Financing PLC ("the Company") is a wholly owned subsidiary of Broadgate Property Holdings 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 2023 Limited, a wholly owned subsidiary of The British Land Company PLC.

The Company's principal activity is to provide funding to fellow subsidiaries within the Group.

Results for the six months

As shown in the Company's Profit and Loss Account on page 5, the Company's profit before taxation has remained stable compared with the prior period. Consistent with the prior period, the Company has continued to amortise bonds as well as incur interest on those bonds outstanding, and charge these costs to fellow subsidiaries.

At 30 September 2024, interest payable on external bonds remains 100% fixed.

The Balance Sheet on page 7 shows the Company has net assets of £667,287 at 30 September 2024 (31 March 2024: £594,306).

Principal risks and uncertainties

This Company is part of a large property investment group, headed by Broadgate REIT Limited (the "Group"). As such, the fundamental underlying risks for this Company are those of the property Group. The key risks of this Group are the performance of the properties and tenant default and credit risk of counterparties for holding cash deposits. These risks are mitigated by preference for tenants with strong covenants on long leases and by using highly rated Financial Institutions for placing cash deposits.

These risks have high visibility to senior executives and are considered and managed on a continuous basis. Executives 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.

Broadgate Financing PLC

**Directors' Report
for the six months ended 30 September 2024 (continued)**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. In order to manage this risk, management regularly monitors the credit rating of credit counterparties and monitors all amounts that are owed to the Company.

Liquidity risk is the risk that the entity will encounter difficulty in raising funds to meet commitments associated with financial liabilities. This risk is managed through day to day monitoring of future cash flow requirements to ensure that the Company has enough resources to repay all future liabilities as they fall due.

The principal risks of the Company remain consistent with those as detailed in the financial statements for the year ended 31 March 2024.

Going Concern

The Directors have reviewed the Company's forecast working capital and cash flow requirements in addition to making enquiries and examining areas which could give risk to financial exposure. The Directors have an expectation that the forecast cash flows on the secured properties will be sufficient to cover debt service on the bonds. The Company has access to the drawn down term loan of £52,080,000 (31 March 2024: £52,080,000) to meet certain shortfalls on bond service, if there was a shortfall from the rent received. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue its operations for at least twelve months after the signing of these condensed interim financial statements and as a result they continue to adopt the going concern basis in preparing the accounts.

Dividends

Dividends of £nil (2024: £nil) were paid in the period. Dividends proposed after the period end were £nil (2024: £nil).


Responsibility Statement of the Directors in respect of the Condensed Interim Financial Statements

The Directors confirm that these condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the United Kingdom and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- An indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

19.11.2024

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

DocuSigned by:

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Director
Hursh Shah

Independent review report to Broadgate Financing PLC Report on the condensed interim financial statements

Our conclusion

We have reviewed Broadgate Financing PLC's condensed interim financial statements (the "interim financial statements") in the Interim Report and Financial Statements of Broadgate Financing PLC for the 6 month period ended 30 September 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Balance Sheet as at 30 September 2024;
- the Profit and Loss Account for the period then ended;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim Report and Financial Statements of Broadgate Financing PLC have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Report and Financial Statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the company to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim Report and Financial Statements, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim Report and Financial Statements in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Interim Report and Financial Statements, including the interim 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.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report and Financial Statements based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
19 November 2024

Broadgate Financing PLC

**Profit and Loss Account
for the six months ended 30 September 2024**

	Note	6 months ended 30 September 2024 Unaudited £	6 months ended 30 September 2023 Unaudited £
Interest receivable and similar income	4	28,551,097	28,745,033
Interest payable and similar expenses	5	<u>(28,453,290)</u>	<u>(28,743,319)</u>
Gross profit		97,807	1,714
Administrative expenses		<u>(499)</u>	<u>(500)</u>
Operating profit		97,308	1,214
Profit before taxation		97,308	1,214
Tax		<u>(24,327)</u>	<u>(304)</u>
Profit for the financial period		<u>72,981</u>	<u>910</u>

Revenue and results were derived from continuing operations within the United Kingdom. The Company has only one significant class of business: to provide funding to fellow subsidiaries of Broadgate Property Holdings Limited in the United Kingdom (UK).

The presentation of the Profit and Loss Account has been updated to more accurately reflect the operations and purpose of the Company. As a result, Interest receivable and similar income and Interest payable and similar expenses are included within Operating Profit for both the current period and comparative period.

The notes on pages 9 to 16 form an integral part of these condensed interim financial statements.

Broadgate Financing PLC

Statement of Comprehensive Income
for the Period from 1 April 2024 to 30 September 2024

	Six months ended 30 September 2024 Unaudited £	Six months ended 30 September 2023 Unaudited £
Profit for the period	<u>72,981</u>	<u>910</u>
Total comprehensive income for the period	<u><u>72,981</u></u>	<u><u>910</u></u>

The notes on pages 9 to 16 form an integral part of these condensed interim financial statements.

Broadgate Financing PLC

(Registration number: 05316365)

**Balance Sheet
as at 30 September 2024**

	Note	30 September 2024 Unaudited £	31 March 2024 Audited £
Non-current assets			
Intercompany non-current debtors	6	<u>1,036,766,104</u>	<u>1,060,074,053</u>
		<u>1,036,766,104</u>	<u>1,060,074,053</u>
Current assets			
Debtors	6	<u>204,731,460</u>	<u>193,687,295</u>
Cash at bank and in hand	7	<u>56,038,525</u>	<u>56,038,197</u>
		<u>260,769,985</u>	<u>249,725,492</u>
Current liabilities			
Creditors due within one year	8	<u>(208,022,648)</u>	<u>(197,051,136)</u>
		52,747,337	52,674,356
Net current assets			
Non-current liabilities			
Loans and borrowings	9	<u>(1,088,846,154)</u>	<u>(1,112,154,103)</u>
		667,287	594,306
Net assets			
Capital and reserves			
Share capital	10	<u>12,500</u>	<u>12,500</u>
Profit and loss account		<u>654,787</u>	<u>581,806</u>
		<u>667,287</u>	<u>594,306</u>
Total shareholders' funds			

19.11.2024

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

DocuSigned by:
Hursh Shah
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Hursh Shah

Director

The notes on pages 9 to 16 form an integral part of these condensed interim financial statements.

Broadgate Financing PLC

Statement of Changes in Equity
for the six months ended 30 September 2024

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2023 (audited)	12,500	430,584	443,084
Profit for the period (unaudited)	-	910	910
Total comprehensive income for the period (unaudited)	-	910	910
Balance at 30 September 2023 (unaudited)	<u>12,500</u>	<u>431,494</u>	<u>443,994</u>
Balance at 1 April 2024 (audited)	12,500	581,806	594,306
Profit for the period (unaudited)	-	72,981	72,981
Total comprehensive income for the period (unaudited)	-	72,981	72,981
Balance at 30 September 2024 (unaudited)	<u>12,500</u>	<u>654,787</u>	<u>667,287</u>

The notes on pages 9 to 16 form an integral part of these condensed interim financial statements.

Broadgate Financing PLC

Notes to the Condensed Interim Financial Statements for the six months ended 30 September 2024

1 General information

The Company is a public 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

Basis of preparation

The financial information for the period ended 30 September 2024 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The condensed interim financial statements do not include all of the notes of the type normally included in an annual report and accounts. Accordingly, this report is to be read in conjunction with the annual report and accounts for the year ended 31 March 2024, which has been prepared in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The same accounting policies, estimates, presentation and methods of computation are followed in the condensed interim financial statements as applied in the latest annual audited financial statements.

Instances in which the advantage of the FRS 101 disclosure exemptions have been taken are set out below.

Accounting basis

The information for the period ended 30 September 2024 does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006.

A copy of the statutory financial statements for the year ended 31 March 2024 has been delivered to the Registrar of companies. The auditors reported on those financial statements: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The current period financial information presented in this document has been reviewed, not audited.

Summary of material accounting policies and key accounting estimates

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

The directors do not consider there to be any significant accounting judgements or key sources of estimation uncertainty in the preparation of these financial statements.

Broadgate Financing PLC

Notes to the Condensed Interim Financial Statements for the six months ended 30 September 2024 (continued)

2 Accounting policies (continued)

Adoption status of new financial reporting standards and interpretations

A number of new standards and amendments to standards and interpretations have been issued for the current accounting period. The Company has applied the following new standards and amendments to the financial statements for the first time for the period ended 30 September 2024: IFRS 17 'Insurance Contracts', amendments to IAS 8 impacting the definition of accounting estimates, Pillar Two model rules and associated IAS 12 amendments, amendments to IAS 12 impacting deferred tax related to assets and liabilities arising from a single transaction, and amendments to IAS 1 and IFRS Practice Statement 2 impacting the disclosure of accounting policies. The new standards and amendments listed above did not have any material impact on amounts recognised in prior years and are not expected to materially affect current and future years. The Company has assessed the impact of the Pillar Two tax legislation (effective 1 January 2024). The Company is not expected to meet the minimum thresholds for the legislation to apply.

The following standards and interpretations which have been issued but are not yet effective include IAS 1 'Presentation of Financial Statements' on the classification of liabilities and non-current liabilities with covenants, IFRS 16 'Leases' on sale and leaseback arrangements, and limited scope amendments to both IFRS 10 'Consolidated Financial Statements', IFRS 18 'Presentation and Disclosure in Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' in respect of sale or contribution of assets between an investor and its associates or joint ventures and IFRS 18 'Presentation and Disclosure in Financial Statements'. With the exception of IFRS 18, these amendments to standards that are not yet effective are not expected to have a material impact on the Company's results.

Summary of disclosure exemptions

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

- (a) The requirements of IAS 1 'Presentation of Financial Statements' to provide a Statement of Cash flows for the period;
- (b) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (c) The requirements of IAS 1 to disclose information on the management of capital;
- (d) 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;
- (e) 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;
- (f) The requirements of IFRS 7 'Financial Instruments: Disclosures' to disclose financial instruments; and
- (g) The requirements of paragraphs 91-99 of IFRS 13 'Fair Value Measurement' to disclose information of fair value valuation techniques and inputs.

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. 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 12.

Broadgate Financing PLC

**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)**

2 Accounting policies (continued)

Going Concern

The Directors have reviewed the Company's forecast working capital and cash flow requirements and in addition to making enquiries and examining areas which could give risk to financial exposure. The Directors have an expectation that the forecast cash flows on the secured properties will be sufficient to cover debt service on the bonds. The Company has access to the drawn down term loan of £52,080,000 (31 March 2024: £52,080,000) to meet certain shortfalls on bond service, if there was a shortfall from the rent received. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue its operations for at least twelve months after the signing of these financial statements and as a result they continue to adopt the going concern basis in preparing the accounts.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of these interim financial statements requires management to make critical accounting judgements and assess key sources of estimation uncertainty, that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results might differ from these estimates.

Key sources of estimation uncertainty:

The directors do not consider there to be any key sources of estimation uncertainty in the preparation of the Company financial statements.

Critical accounting judgements:

The directors do not consider there to be any other critical accounting judgements in the preparation of the Company financial statements.

4 Interest receivable and similar income

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

	6 months ended 30 September 2024 Unaudited £	6 months ended 30 September 2023 Unaudited £
Interest receivable on amounts owed by related parties	27,101,477	27,440,485
Interest income on bank deposits	<u>1,449,620</u>	<u>1,304,548</u>
	<u>28,551,097</u>	<u>28,745,033</u>

Broadgate Financing PLC

**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)**

5 Interest payable and similar expenses

	Six months ended 30 September 2024 Unaudited £	Six months ended 30 September 2023 Unaudited £
Interest payable on bonds and borrowings	<u>28,453,290</u>	<u>28,743,319</u>
	<u>28,453,290</u>	<u>28,743,319</u>

6 Debtors

	30 September 2024 Unaudited £	31 March 2024 Audited £
Amounts due from related parties	191,452,865	180,395,476
Accrued income	13,275,239	13,278,634
Other debtors	1,508	11,337
Corporation tax asset	<u>1,848</u>	<u>1,848</u>
	<u>204,731,460</u>	<u>193,687,295</u>

	30 September 2024 Unaudited £	31 March 2024 Audited £
Debtors due after more than one year		
Intercompany non-current debtors	<u>1,036,766,104</u>	<u>1,060,074,053</u>
	<u>1,036,766,104</u>	<u>1,060,074,053</u>

The intercompany loans to Broadgate (Funding) 2005 Ltd are being repaid from April 2005 to July 2033, with the average interest rate of these intercompany loans being 4.93% per annum (31 March 2024: 4.93%). There is no interest charged on the remainder of amounts owed by related parties and are repayable on demand. Amounts due from related parties relate to amounts owed from group companies and are repayable on demand, hence are included in current assets.

Broadgate Financing PLC**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)****7 Cash and cash equivalents**

	30 September 2024 Unaudited £	31 March 2024 Audited £
Cash at bank	132,525	132,197
Short-term deposits	<u>55,906,000</u>	<u>55,906,000</u>
	<u>56,038,525</u>	<u>56,038,197</u>

Short term deposits mature within 3 months and therefore meet the definition of cash and cash equivalents.

8 Creditors: amounts falling due within one year

	30 September 2024 Unaudited £	31 March 2024 Audited £
Accrued interest	13,405,635	13,409,496
Amounts due to related parties	147,881,445	147,857,118
Secured bonds	46,666,810	35,716,810
Other creditors	<u>68,758</u>	<u>67,712</u>
	<u>208,022,648</u>	<u>197,051,136</u>

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

9 Loans and borrowings

	30 September 2024 Unaudited £	31 March 2024 Audited £
Loans		
Loans due 1 to 2 years	93,333,190	46,507,243
Loans due 2 to 5 years	248,053,854	140,000,000
Loans due after 5 years	<u>747,459,110</u>	<u>925,646,860</u>
	<u>1,088,846,154</u>	<u>1,112,154,103</u>

Broadgate Financing PLC

**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)**

9 Loans and borrowings (continued)

Amounts due after five years include the term loan of £52,080,000 (31 March 2024: £52,080,000) which represents a liquidity facility with NatWest Markets PLC. The cash received is held on deposit.

	30 September 2024 Unaudited £	31 March 2024 Audited £
Borrowings repayment analysis		
Borrowings due within one year	46,666,810	35,716,810
Borrowings due between one to two years	93,333,190	46,666,380
Borrowings due between two to five years	248,187,750	140,000,000
	388,187,750	222,383,190
Borrowings due after five years	747,459,110	925,588,824
Total borrowings	1,135,646,860	1,147,972,014
Gross debt	1,135,646,860	1,147,972,014

Secured bonds on the assets of the Broadgate Property Holdings Limited Group

	30 September 2024 Unaudited £	31 March 2024 Audited £
Class A3 4.851% Bonds 2033	143,900,050	143,900,050
Class A4 4.821% Bonds 2036	400,000,000	400,000,000
Class B 4.999% Bonds 2033	354,050,000	365,000,000
Class C2 5.098% Bonds 2035	185,616,810	187,050,000
Total secured bond borrowings	1,083,566,860	1,095,950,050
Term Loan	52,080,000	52,080,000
Total secured borrowings	1,135,646,860	1,148,030,050

Broadgate Financing PLC

**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)**

9 Loans and borrowings (continued)

At 30 September 2024, 100% (31 March 2024: 100%) of the bonds were fixed. The bonds amortise from 2005 and are expected to be repaid by 2033. Legal repayment is required by 2036. The term loan matures on the date when all the bonds have been redeemed in full. The bonds are secured on properties of the Group valued at £2,630m (31 March 2024: £2,711m). The weighted average interest rate of the bonds is 4.93% (31 March 2024: 4.93%). The weighted average maturity of the bonds is 6.5 years (31 March 2024: 6.9 years).

Fair value of bonds

The fair values of the bonds have been established by obtaining quoted market prices from brokers.

	30 September 2024 Unaudited £	31 March 2024 Audited £
Secured bonds at fair value	<u>1,065,599,249</u>	<u>1,069,447,965</u>

10 Share capital

Allotted, called up and fully paid shares

	No.	30 September 2024 Unaudited £	No.	31 March 2024 Audited £
Ordinary shares of £0.25 each	50,000	12,500	50,000	12,500

11 Capital commitments

The Company had capital commitments contracted as at 30 September 2024 of £nil (31 March 2024: £nil).

12 Subsequent events

There have been no subsequent events since 30 September 2024.

13 Parent and ultimate parent undertaking

The immediate parent company is Broadgate Property Holdings 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 2023 Limited, a wholly owned subsidiary of The British Land Company PLC.

Broadgate Financing PLC

**Notes to the Condensed Interim Financial Statements
for the six months ended 30 September 2024 (continued)**

13 Parent and ultimate parent undertaking (continued)

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