

Registration number: 115787

# Broadgate REIT Limited

Interim Report and Financial Statements

for the six months ended 30 September 2021

**Broadgate REIT Limited**  
**Contents**

Directors' Report	1 to 2
Independent Review Report	3 to 4
Consolidated Income Statement	5
Consolidated Statement of Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Interim Financial Statements	10 to 18

## **Broadgate REIT Limited**

### **Directors' Report for the six months ended 30 September 2021**

The directors present their report on the affairs of Broadgate REIT Limited ("the Company") and its subsidiaries (together "the Group"), together with the interim financial statements for the six month period ended 30 September 2021.

#### **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:

I Cahoon

T L Stroh (appointed 16 June 2021)

M Cosgrave (resigned 16 June 2021)

D Nigam (resigned 28 October 2021)

D Richards

H Shah

D Lockyer

The following director was appointed after the period end:

G Noblett (appointed 28 October 2021)

Each of the directors (as detailed above) confirms that to the best of his/her knowledge that the interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB) and Listing Rules of The International Stock Exchange.

#### **Principal activity**

The principal activity of the Group and its subsidiaries is that of property investment in the United Kingdom.

#### **Results for the six months**

The Group made a profit after tax of £147m during the period, compared to a loss after tax of £125m in the six month period to September 2020 ("prior period"). Net profit has increased principally due to upward property valuations totalling £132m.

#### **Dividends**

Group dividends in the six month period totalled £32m (30 September 2020: £14m).

#### **Key risks**

The directors consider that the key risks of this Group are the performance of the properties and tenant default. These risks are mitigated by a continually updated and refreshed campus business plan, including development activities, to ensure an appropriate mix of high quality space which is attractive for tenants, a preference for tenants with strong covenants on long leases and by using highly rated financial institutions for placing cash deposits.

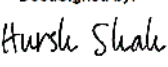
The general risk environment in which the Group operates has remained heightened in the period due to the continued level of uncertainty associated with the impact of Covid-19 and challenges in the UK property market. That said it is considered to have improved during the period, with the lifting of lockdown restrictions resulting in improvement in activity across the Group's properties with rental collection rates returning close to pre-pandemic levels.

**Broadgate REIT Limited****Directors' Report for the six months ended 30 September 2021 (continued)****Going concern**

The Group finances its operations by a mixture of equity, public debt issues, external loans and loans provided by shareholders. Whilst the Group is in a net current liability position, this is principally as a result of shareholder loans which have no predetermined repayment date and are therefore treated as current liabilities. The directors have received letters of support from the shareholders confirming that they do not intend to call for repayment of these loans within twelve months of the signing of these financial statements. In preparing these financial statements the directors have considered the headroom on debt service covenants and reviewed the forecast cash flows of the Group, which take into account assumptions relating to the UK's vaccination led emergence from the Covid-19 pandemic. As such the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation despite the current economic climate for at least twelve months after the signing of these financial statements. As a result they continue to adopt the going concern basis in preparing the Interim Report and the financial statements.

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

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923512BDC4694A4...  
Director  
Hursh Shah



## **Independent review report to Broadgate REIT Limited**

### **Report on the condensed consolidated interim financial statements**

#### **Our conclusion**

We have reviewed Broadgate REIT Limited's condensed consolidated interim financial statements (the "interim financial statements") in the Interim Report and Financial Statements of Broadgate REIT Limited for the 6 month period ended 30 September 2021 (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 International Accounting Standard 34, 'Interim Financial Reporting', as issued by the IASB.

#### **What we have reviewed**

The interim financial statements comprise:

- the Consolidated Statement of Financial Position as at 30 September 2021;
- the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the period then ended;
- the Consolidated Statement of Cash Flows for the period then ended;
- the Consolidated 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 REIT Limited have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as issued by the IASB.

### **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, are the responsibility of, and have been approved by the directors. The directors are responsible for preparing the Interim Report and Financial Statements in accordance with the Listing Rules of the International Stock Exchange Authority which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report and Financial Statements based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of assisting the directors in meeting the requirements of Listing Rules of the International Stock Exchange 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.

#### **What a review of interim financial statements involves**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. 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

PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
16 November 2021

**Broadgate REIT Limited**  
**Consolidated Income Statement for the six months ended**  
**30 September 2021**

		Six months ended 30 September 2021 Unaudited £ m	Six months ended 30 September 2020 Unaudited £ m
<b>Revenue</b>	2	<b>109</b>	109
Cost of sales		<u>(37)</u>	<u>(48)</u>
<b>Gross profit</b>		<b>72</b>	61
Administrative expenses		<u>(2)</u>	<u>(2)</u>
<b>Operating profit</b>		<b>70</b>	59
Revaluation of Property	5	<u>132</u>	<u>(153)</u>
<b>Profit/(loss) before tax on ordinary activities before interest and taxation</b>		<b>202</b>	(94)
Finance income	3	<b>1</b>	-
Finance costs	3	<u>(56)</u>	<u>(31)</u>
<b>Profit/(loss) on ordinary activities before tax</b>		<b>147</b>	(125)
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit/(loss) for the six month period after tax</b>		<u><b>147</b></u>	<u>(125)</u>

Diluted and undiluted earnings per share during the period were £7.74 (30 September 2020: -£6.53).

Earnings per share is calculated as profit for the financial year after taxation divided by weighted average number of shares in issue for the period.

Revenue and results are derived from continuing operations within the United Kingdom (UK).

**Broadgate REIT Limited**

**Consolidated Statement of Comprehensive Income for the six months ended**  
**30 September 2021**

	2021 £ m	2020 £ m
Profit/(loss) for the period	<u>147</u>	<u>(125)</u>
Total comprehensive income/(expense) for the period	<u><u>147</u></u>	<u><u>(125)</u></u>



**Broadgate REIT Limited**

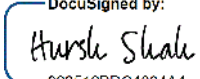
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**Consolidated Statement of Financial Position as at 30 September 2021**

	Note	30 September 2021 Unaudited £ m	31 March 2021 Audited £ m
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	5	4,678	4,501
Other financial assets	7	21	-
		<u>4,699</u>	<u>4,501</u>
<b>Current assets</b>			
Trade and other receivables		25	13
Cash and cash equivalents	6	114	160
		<u>139</u>	<u>173</u>
<b>Current liabilities</b>			
Trade and other payables		(92)	(94)
Loans and borrowings	6	(776)	(998)
		<u>(868)</u>	<u>(1,092)</u>
<b>Net current liabilities</b>		<u>(729)</u>	<u>(919)</u>
<b>Total assets less current liabilities</b>		<b>3,970</b>	<b>3,582</b>
<b>Non-current liabilities</b>			
Loans and borrowings	6	(1,568)	(1,295)
<b>Net assets</b>		<u><b>2,402</b></u>	<u><b>2,287</b></u>
<b>Equity</b>			
Share capital	8	19	19
Share premium	8	1,431	1,431
Merger reserves		(1,076)	(1,076)
Retained earnings		<u>2,028</u>	<u>1,913</u>
<b>Total equity</b>		<u><b>2,402</b></u>	<u><b>2,287</b></u>

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

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 923512BDC4894A4...  
 Director  
 Hursh Shah

The notes on pages 10 to 18 form an integral part of these interim financial statements.

## Broadgate REIT Limited

### Consolidated Statement of Changes in Equity for the six months ended 30 September 2021

	Share capital £ m	Share premium £ m	Merger reserve £ m	Retained earnings £ m	Total £ m
<b>Balance at 1 April 2020</b>	19	1,431	(1,076)	2,067	2,441
Loss for the period	-	-	-	(125)	(125)
<b>Total comprehensive expense for the six month period</b>	-	-	-	(125)	(125)
Dividends paid in period	-	-	-	(14)	(14)
<b>Balance at 30 September 2020</b>	19	1,431	(1,076)	1,928	2,302
<b>Balance at 1 April 2021</b>	19	1,431	(1,076)	1,913	2,287
Profit for the period	-	-	-	147	147
<b>Total comprehensive income for the six month period</b>	-	-	-	147	147
Dividends paid in period	-	-	-	(32)	(32)
<b>Balance at 30 September 2021</b>	19	1,431	(1,076)	2,028	2,402

The notes on pages 10 to 18 form an integral part of these interim financial statements.

**Broadgate REIT Limited**  
**Consolidated Statement of Cash Flows for the six months ended**  
**30 September 2021**

	Six months ended 30 September 2021 Unaudited £ m	Six months ended 30 September 2020 Unaudited £ m
<b>Cash flows from operating activities</b>		
Cash generated from operations (a)	65	62
Interest received	-	1
Interest paid	<u>(55)</u>	<u>(31)</u>
Net cash flow from operating activities	<u>10</u>	<u>32</u>
<b>Cash flows from investing activities</b>		
Development and other capital expenditure	(50)	(82)
Indirect taxes in respect of investing activities	<u>(4)</u>	<u>(1)</u>
Net cash flows from investing activities	<u>(54)</u>	<u>(83)</u>
<b>Cash flows from financing activities</b>		
(Decrease)/increase in shareholder loans	(214)	90
Increase/(decrease) in secured borrowings	284	(57)
Dividends paid	(32)	(14)
Decrease in term loan	<u>(40)</u>	<u>-</u>
Net cash flows from financing activities	<u>(2)</u>	<u>19</u>
Net decrease in cash and cash equivalents	(46)	(32)
Cash and cash equivalents at 1 April	<u>160</u>	<u>209</u>
Cash and cash equivalents at 30 September	<u><u>114</u></u>	<u><u>177</u></u>
<b>(a) Cash generated from operations</b>		
Operating profit	70	59
Increase in operating debtors	(7)	(5)
Increase in operating creditors	7	8
Spreading of tenant incentives and guaranteed rent increases	<u>(5)</u>	<u>-</u>
<b>Cash generated from operations</b>	<u><u>65</u></u>	<u><u>62</u></u>

The notes on pages 10 to 18 form an integral part of these interim financial statements.

## Broadgate REIT Limited

### Notes to the Interim Financial Statements for the six months ended 30 September 2021

#### 1 Accounting policies

##### **Basis of preparation**

The financial information included within this announcement has been prepared on a going concern basis using accounting policies consistent with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in accordance with IAS 34 Interim Financial Reporting and Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The interim financial statements for the period ended 30 September 2021 should be read in conjunction with the annual financial statements for the year ended 31 March 2021, which have been prepared in accordance with international accounting standards issued by the International Accounting Standards Board (IASB).

The same accounting policies, accounting judgements, estimates, presentation and methods of computation are followed in the half year report as applied in the Group's latest annual audited financial statements. The current period financial information presented in this document is unaudited.

In the opinion of the directors of the Company, the interim financial statements enable investors to make an informed assessment of the results and activities of the Group for the period to 30 September 2021.

##### **Adoption status of relevant new financial reporting standards and interpretations**

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective for the current accounting period. None of these are expected to have a material impact on the consolidated financial statements of the Group. The new standards and amendments are as follows:

IFRS 17 - Insurance Contracts;

IAS 1 (amended) - Classification of liabilities as current or non-current;

IAS 1 and IFRS Practice Statement 2 (amended) - Disclosure of Accounting Policy;

IAS 8 (amended) - Definition of Accounting Estimate; and

IAS 12 (amended) - exception to the Initial Recognition Exemption.

##### **Significant judgements and sources of estimation uncertainty**

In applying the Group's accounting policies, the directors are required to make judgements and estimates that affect the interim financial statements.

Significant areas of estimation:

- Valuation of properties: The Group uses external professional valuers to determine the relevant amounts. The primary source of evidence for property valuations should be recent, comparable market transactions on an arms-length basis. However, the valuation of the Group's property portfolio is inherently subjective, as it is made on the basis of assumptions made by the valuers which may not prove to be accurate. See note 5.

# **Broadgate REIT Limited**

## **Notes to the Interim Financial Statements for the six months ended 30 September 2021 (continued)**

### **1 Accounting policies (continued)**

The key areas of accounting judgements are:

- Accounting for transactions: Property transactions are complex in nature and can be material to the financial statements. Assessment is required to determine the most appropriate accounting treatment of assets acquired and of potential contractual arrangements in the legal documents for both acquisitions and disposals. Management consider each transaction separately and, when considered appropriate, seek independent accounting advice.
- REIT status: Broadgate REIT Limited is a Real Estate Investment Trust ('REIT') and does not pay tax on its property income or gains on property sales, provided that at least 90% of the Group's property income is distributed as a dividend to shareholders. In addition, the Group has to meet certain conditions such as ensuring the property rental business represents more than 75% of total profits and assets. Any potential or proposed changes to the REIT legislation are monitored and discussed with HMRC. It is the directors' intention that the Group will continue as a REIT for the foreseeable future.

### **Going concern**

The Group finances its operations by a mixture of equity, public debt issues, external loans and loans provided by shareholders. Whilst the Group is in a net current liability position, this is principally as a result of shareholder loans which have no predetermined repayment date and are therefore treated as current liabilities. The directors have received letters of support from the shareholders confirming that they do not intend to call for repayment of these loans within twelve months of the signing of these financial statements. In preparing these financial statements the directors have considered the headroom on debt service covenants and reviewed the forecast cash flows of the Group, which take into account assumptions relating to the UK's vaccination led emergence from the Covid-19 pandemic. As such the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation despite the current economic climate for at least twelve months after the signing of these financial statements. As a result they continue to adopt the going concern basis in preparing the Interim Report and the financial statements.

**Broadgate REIT Limited**  
**Notes to the Interim Financial Statements for the six months ended**  
**30 September 2021 (continued)**

**2 Revenue**

The analysis of the Group's revenue for the period from continuing operations is as follows:

	Six months ended 30 September 2021 £ m	Six months ended 30 September 2020 £ m
Rental income from investment property	81	77
Service charge income	28	32
	<u>109</u>	<u>109</u>

**3 Finance income and costs**

	Six months ended 30 September 2021 £ m	Six months ended 30 September 2020 £ m
<b>Finance income</b>		
Other finance income	1	-
<b>Finance costs</b>		
Interest on secured bonds and Green loans	(30)	(30)
Premium costs on early repayment of secured bonds	(26)	-
Other finance income/(costs)	-	(1)
Total finance costs	<u>(56)</u>	<u>(31)</u>
Net finance costs	<u>(55)</u>	<u>(31)</u>

Premium costs on early repayment of secured bonds relates to the refinancing of 100 Liverpool Street. See note 6 for further details. Finance charges including premia payable on settlement or redemption and direct issue costs are spread over the period to maturity, using the effective interest method. Exceptional finance charges incurred due to early redemption (including premia) are recognised in the income statement when they occur.

**Broadgate REIT Limited**  
**Notes to the Interim Financial Statements for the six months ended**  
**30 September 2021 (continued)**

**4 Income tax**

Tax charged/(credited) in the income statement

	Six months ended 30 September 2021 £ m	Six months ended 30 September 2020 £ m
<b>Current taxation</b>		
UK corporation tax	-	-
Total current income tax	-	-

Due to the Company's REIT status as discussed in the Accounting policies on page 10, the taxation charge for the six months ended 30 September 2021 has been calculated at 0% (30 September 2020 at 0%) of profit before tax. This represents the estimated effective rate of tax for the period.

**5 Investment properties**

	Development £ m	Freehold £ m	Long leasehold £ m	Total £ m
<b>Fair value</b>				
1 April 2021	188	34	4,279	4,501
Capital expenditure	13	1	27	41
Movement in lease incentives and rent review receivables	-	-	4	4
Revaluation movement included in consolidated Income Statement	7	(1)	126	132
<b>30 September 2021</b>	<b>208</b>	<b>34</b>	<b>4,436</b>	<b>4,678</b>

The different valuation method levels are defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

These levels are specified in accordance with IFRS 13 'Fair Value Measurement'. 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 and 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. Other factors taken into account in the valuation include the tenure of the property, tenancy details and ground and structural conditions. Properties were valued as at 30 September 2021 by Cushman & Wakefield LLP.

## Broadgate REIT Limited

### Notes to the Interim Financial Statements for the six months ended 30 September 2021 (continued)

#### 5 Investment properties (continued)

Investment properties valued at £4,678m (31 March 2021: £4,501m) were classified as Level 3 as defined by IFRS 13. There were no transfers between levels in the year.

Properties valued at £4,229m (31 March 2021: £4,086m) were charged to secure the borrowings of subsidiaries of the Company.

The table below shows the impact of changes in unobservable inputs (Level 3) on the fair value of the Group's property portfolio for the period ended 30 September 2021.

<b>Fair value 30 September 2021</b>	<b>+5% ERV</b>	<b>-5% ERV</b>	<b>-25bps NEY</b>	<b>+25bps NEY</b>	<b>-5% costs</b>	<b>+5% costs</b>
£m	£m	£m	£m	£m	£m	£m
4,678	237	(237)	373	(422)	33	(33)

<b>Fair value 31 March 2021</b>	<b>+ 5% ERV</b>	<b>-5% ERV</b>	<b>-25bps NEY</b>	<b>+25bps NEY</b>	<b>-5% costs</b>	<b>+5% costs</b>
£m	£m	£m	£m	£m	£m	£m
4,501	115	(115)	179	(159)	18	(18)

#### 6 Loans and borrowings

	<b>30 September 2021 £ m</b>	<b>31 March 2021 £ m</b>
<b>Secured on the assets of the group</b>		
Class A2 4.949% Bonds due 2031	-	79
Class A3 4.851% Bonds due 2033	144	175
Class A4 4.821% Bonds due 2036	400	400
Class B 4.999% Bonds due 2033	365	365
Class C2 5.098% Bonds due 2035	193	196
	<u>1,102</u>	<u>1,215</u>
£420m Floating Rate Green Loan due 2026	416	-
	<u>1,518</u>	<u>1,215</u>
<b>Other borrowings</b>		
Term loan	52	92
Shareholder loans	774	988
	<u>826</u>	<u>1,080</u>
<b>Gross Debt</b>	<b>2,344</b>	<b>2,295</b>
Cash and short-term deposits	(114)	(160)
<b>Net Debt</b>	<u><b>2,230</b></u>	<u><b>2,135</b></u>



## Broadgate REIT Limited

### Notes to the Interim Financial Statements for the six months ended 30 September 2021 (continued)

#### 6 Loans and borrowings (continued)

At 30 September 2021, 100% of the secured bonds were fixed (31 March 2021: 100%). 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 £3,382m (31 March 2021: £4,105m). The weighted average interest rate of the bonds is 4.93% (31 March 2021: 4.93%). The weighted average maturity of the bonds is 9.4 years (31 March 2021: 9.5 years).

On 30 June 2021, the Group completed the refinance of 100 Liverpool Street which raised a new £420m 5 year 'Green Loan' secured by the property. As part of the refinance, 100 Liverpool Street was released from the Broadgate securitisation alongside the redemption of £107m of bonds.

The £420m green loan is at a floating rate of interest and matures in June 2026. The loan is partially hedged with interest rate caps and swaps. At 30 September 2021 the average interest rate of the loan, including the effect of these derivatives, was 1.4%.

A notice was issued to Bondholders on 3 June 2021 for the redemption in full of the Class A2 4.949% Bonds, and partial redemption of the Class A3 4.851% Bonds, totalling £107m principal amount of bonds alongside a premium of £24.9m. These Bonds were redeemed on the Interest Payment Date falling on 5 July 2021.

#### Comparison of market values and book values and fair value hierarchy

	Level	30 September 2021		31 March 2021	
		Market Value £ m	Book Value £ m	Market Value £ m	Book Value £ m
Secured bonds	2	1,347	1,102	1,454	1,216
Green loan	2	416	416	-	-
Term loan	2	52	52	92	92
		<u>1,815</u>	<u>1,570</u>	<u>1,546</u>	<u>1,308</u>

The fair values of the bonds have been established by obtaining quoted market prices from brokers. The Green loan and term loan have been valued assuming they could be renegotiated at contracted margins.

#### Capital risk management

The Group finances its operations by a mixture of equity, public debt issues, secured loans and loans provided by shareholders to support the property strategy of the Group.

The approach adopted has been to engage in secured debt financing with a spread of maturity dates. Including debt amortisation, 73% of the total third party borrowings are due for payment after 5 years (31 March 2021: 89%).

The Group aims to ensure that potential debt providers understand the business and a transparent approach is adopted with lenders so they can understand the level of their exposure within the overall context of the Group.

Details of bond covenants are outlined in the bonds publicly available Offering Circular.

#### Credit risk

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. The carrying amount of financial assets recorded in the interim financial statements represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

## Broadgate REIT Limited

### Notes to the Interim Financial Statements for the six months ended 30 September 2021 (continued)

#### 6 Loans and borrowings (continued)

Cash and deposits at 30 September 2021 amounted to £114m (31 March 2021: £160m) and are placed with financial institutions with A or better credit ratings. At 30 September 2021, prior to taking account of any offset arrangements, the largest combined credit exposure to a single counterparty arising from money market deposits was £53m (31 March 2021: £59m). This represents 1.10% (31 March 2021: 1.26%) of gross assets.

In order to manage credit risk, management regularly reviews the credit rating of credit counterparties and monitors all amounts that are owed to the Group.

#### Liquidity risk

Liquidity risk is the risk that the Group 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 amounts outstanding.

	Within one year £m	One to two years £m	Two to five years £m	Over five years £m	Total £m
<b>30 September 2021</b>					
Bonds	2	3	107	990	1,102
Green Loan	-	-	420	-	420
Term loan	-	-	-	52	52
Shareholder loans	774	-	-	-	774
<b>Total loans and borrowings</b>	<b>776</b>	<b>3</b>	<b>527</b>	<b>1,042</b>	<b>2,348</b>
Interest payable	61	63	182	255	561
<b>Net payment</b>	<b>837</b>	<b>66</b>	<b>709</b>	<b>1,297</b>	<b>2,909</b>
	Within one year £m	One to two years £m	Two to five years £m	Over five years £m	Total £m
<b>31 March 2021</b>					
Bonds	11	11	113	1,080	1,215
Term Loan	-	-	-	92	92
Shareholder loans	988	-	-	-	988
<b>Total loans and borrowings</b>	<b>999</b>	<b>11</b>	<b>113</b>	<b>1,172</b>	<b>2,295</b>
Interest payable	60	59	171	289	579
<b>Net payment</b>	<b>1,059</b>	<b>70</b>	<b>284</b>	<b>1,461</b>	<b>2,874</b>

## Broadgate REIT Limited

### Notes to the Interim Financial Statements for the six months ended 30 September 2021 (continued)

#### 7 Other financial assets

	30 September 2021 £ m	31 March 2021 £ m
<b>Non-current financial assets</b>		
Restricted cash	19	-
Interest rate derivative asset	2	-
	<u>21</u>	<u>-</u>

Derivative contracts are initially recognised at fair value at the date the derivative contracts are entered into, and subsequently remeasured at fair value. Changes in the fair value of derivatives that are not in a designated hedging relationship under IFRS 9 are recorded directly in the Consolidated Income Statement. These derivatives are carried at fair value on the balance sheet.

#### 8 Share capital and premium

	30 September 2021 £ m	31 March 2021 £ m
<b>Issued share capital and share premium - allotted, called up and fully paid</b>		
Share capital of £1.00 each	19	19
Share premium	1,431	1,431
<b>Total issued share capital and share premium</b>	<u>1,450</u>	<u>1,450</u>

Net asset value per share at 30 September 2021 was £125 (31 March 2021: £120).

#### 9 Capital Commitments

The Group had capital commitments contracted as at 30 September 2021 of £417m (31 March 2021: £98m).

#### 10 Controlling parties

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.

#### 11 Related party transactions

Related party disclosures noted below are in respect of transactions between the group and its related parties as defined by International Accounting Standard 24.

During the six month period, British Land Property Management Limited received £1,800,000 (30 September 2020: £2,269,602) for asset management services, and £396,177 (30 September 2020: £390,440) for administration services, provided to the group. British Land Property Management Limited is a wholly owned subsidiary of The British Land Company PLC.

**Broadgate REIT Limited**  
**Notes to the Interim Financial Statements for the six months ended**  
**30 September 2021 (continued)**

**11 Related party transactions (continued)**

During the six month period, Broadgate (PHC 15a) Limited received £1,945,917 (30 September 2020: £1,945,917) from Storey Spaces Limited under management agreements. In addition, £1,762,493 (2020: £2,074,180) of fees were incurred under the same management agreement. Storey Spaces Limited is a wholly owned subsidiary of the British Land Company PLC.

During the six month period, Broadgate (PHC 15b) Limited incurred £nil (30 September 2020: £1,942,137) of fees with Storey Spaces Limited under management agreements.

During the six month period, Broadgate (PHC 15c) Limited incurred £39,835 (30 September 2020: £530,296) of fees with Storey Spaces Limited under management agreements.

During the six month period, Broadgate (PHC 3) Limited incurred £15,000 (30 September 2020: £nil) of fees with Storey Spaces Limited under management agreements.

During the six month period, Bluebutton Developer Company (2012) Limited paid £637,393 (30 September 2020: £309,431) of development fees to British Land Property Management Limited.

During the six month period, the Company recharged £nil (30 September 2020: £37,300) of administration expenses borne by the Group on behalf of Euro Bluebell LLP, holder of 50% of the share capital of the Company, to Euro Clover Private Limited, a wholly owned subsidiary of Euro Bluebell LLP.