Registration number: 115787

Broadgate REIT Limited

Interim Report and Financial Statements

for the six months ended 30 September 2022

Broadgate REIT Limited

Contents

Broadgate REIT Limited

Directors' Report
for the six months ended 30 September 2022

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 2022.

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:

N Cahoon

T L Stroh

G Noblett

D Richards

H Shah

D Lockyer

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 loss after tax of £126m during the period, compared to a profit after tax of £149m in the six month period to September 2021 ("prior period"). Net profit has decreased principally due to downward property valuations of £200m.

Dividends
Group dividends in the six month period totalled £48m (30 September 2021: £32.0m).

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 that is attractive for tenants, a preference for tenants with strong covenants on long leases.

The general risk environment in which the Group operates has remained heightened during the period. Whilst the UK economy strengthened in comparison to the prior year period, which was impacted by the ongoing Covid-19 pandemic, increasing geopolitical and macroeconomic uncertainty has continued to present a challenging environment for the sectors in which we operate. Whilst the trend for increased workforce flexibility (including working from home) remains, businesses continue to recognise the value of prime, sustainable places and occupier demand for this very best space has remained robust. The conflict in Ukraine, as well as wider geopolitical uncertainties, has contributed to significant inflation over the period, including energy prices. In response to inflation, rising interest rates will have the impact of dampening investor demand for real estate, with the resulting impact on valuations. The Directors remain vigilant to these risks, as well as any potential resulting opportunities that may arise.

See note 6 for the principal risks of the Group.

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.

As a consequence of this, the Directors feel that the Group is well placed to manage its financing and other business risks satisfactorily despite the uncertain economic climate, and have a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. Accordingly, they believe the going concern basis is an appropriate one.

Approved by the Board on 15.11.2022 and signed on its behalf by:

DocuSigned by:

Hursh Shah

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Director

Hursh Shah

Independent review report to the Directors of 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 2022 (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.

The interim financial statements comprise:

- the Consolidated Statement of Financial Position as at 30 September 2022;
- 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.

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. 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 this ISRE. However, future events or conditions may cause the group 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. In preparing the Interim Report and Financial Statements, including the interim financial statements, the directors are responsible for assessing the group'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 group 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 purposes of assisting the directors in meeting the requirements of Listing Rules of the International Stock Exchange Authority and for no other purpose. Our report may not be made available to any other party without our prior written consent. 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
15 November 2022

Broadgate REIT Limited

Consolidated Income Statement
for the six months ended 30 September 2022

	Note	Six months ended 30 September 2022 Unaudited £ m	Six months ended 30 September 2021 Unaudited £ m
Revenue	3	**120**	109
Cost of sales		**(40)**	(37)
Gross profit		**80**	72
Administrative expenses		**(4)**	(2)
Operating profit		**76**	70
Revaluation of Property	6	**(200)**	132
(Loss)/profit before tax on ordinary activities before interest and taxation		**(124)**	202
Finance income	4	**30**	1
Finance costs	4	**(32)**	(56)
(Loss)/profit on ordinary activities before tax		**(126)**	147
Income tax expense		**-**	-
(Loss)/profit for the six month period after tax		**(126)**	147

Diluted and undiluted losses per share during the period were £6.63 (30 September 2021: earnings per share £7.74).

Earnings per share is calculated as the result 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 2022

	6 months ended 30 September 2022 Unaudited £ m	6 months ended 30 September 2021 Unaudited £ m
(Loss)/profit for the period	**(126)**	147
Total comprehensive (expense)/income for the period	**(126)**	147

Broadgate REIT Limited

(Registration number: 115787)

Consolidated Statement of Financial Position
as at 30 September 2022

	Note	30 September 2022 Unaudited £ m	31 March 2022 Audited £ m
Assets			
Non-current assets			
Investment properties	6	**4,682**	4,829
Other financial assets	8	**55**	30
		4,737	4,859
Current assets			
Trade and other receivables		**27**	17
Cash and cash equivalents		**126**	126
		153	143
Current liabilities			
Trade and other payables		**(93)**	(88)
Loans and borrowings	7	**(907)**	(848)
		(1,000)	(936)
Net current liabilities		**(847)**	(793)
Total assets less current liabilities		**3,890**	4,066
Non-current liabilities			
Loans and borrowings	7	**(1,565)**	(1,567)
Net assets		**2,325**	2,499
Equity			
Share capital	9	**19**	19
Share premium	9	**1,431**	1,431
Merger reserves		**(1,076)**	(1,076)
Retained earnings		**1,951**	2,125
Total equity		**2,325**	2,499

15.11.2022

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

DocuSigned by:

Hursh Shah

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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 2022

	Share capital £ m	Share premium £ m	Merger reserve £ m	Retained earnings £ m	Total £ m
Balance at 1 April 2021 (audited)	19	1,431	(1,076)	1,913	2,287
Profit for the period (unaudited)	-	-	-	147	147
Total comprehensive income for the six month period (unaudited)	-	-	-	147	147
Dividends paid in period (unaudited)	-	-	-	(32)	(32)
Balance at 30 September 2021 (unaudited)	19	1,431	(1,076)	2,028	2,402
Balance at 1 April 2022 (audited)	**19**	**1,431**	**(1,076)**	**2,125**	**2,499**
Loss for the period (unaudited)	**-**	**-**	**-**	**(126)**	**(126)**
Total comprehensive expense for the six month period (unaudited)	**-**	**-**	**-**	**(126)**	**(126)**
Dividends paid in period	**-**	**-**	**-**	**(48)**	**(48)**
Balance at 30 September 2022 (unaudited)	**19**	**1,431**	**(1,076)**	**1,951**	**2,325**

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 2022

		Six months ended 30 September 2022 Unaudited £ m	Six months ended 30 September 2021 Unaudited £ m
Cash flows from operating activities			
Cash generated from operations	(a)	**71**	65
Interest paid		**(25)**	(55)
Net cash flow from operating activities		**46**	10
Cash flows from investing activities			
Development and other capital expenditure		**(56)**	(50)
Indirect taxes in respect of investing activities		**(4)**	(4)
Net cash flows from investing activities		**(60)**	(54)
Cash flows from financing activities			
Increase/(decrease) in shareholder loans		**59**	(214)
Increase in secured borrowings		**-**	284
Dividends paid		**(46)**	(32)
Decrease in term loan		**-**	(40)
Net cash flows from financing activities		**13**	(2)
Net decrease in cash and cash equivalents		**(1)**	(46)
Cash and cash equivalents at 1 April		**126**	160
Cash and cash equivalents at 30 September		**125**	114

(a) Cash generated from operations

Operating profit	**76**	70
Increase/(decrease) in operating debtors	**3**	(7)
Increase in operating creditors	**2**	7
Spreading of tenant incentives and guaranteed rent increases	**(6)**	(5)
Decrease in restricted cash asset	**(4)**	-
Cash generated from operations	**71**	65

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

1 General information

The company is a private company limited by share capital, incorporated and domiciled in Jersey.

The address of its registered office is:
13-14 Esplanade
St Helier
Jersey
JE1 1BD
Jersey

2 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.

The interim financial statements for the period ended 30 September 2022 should be read in conjunction with the annual financial statements for the year ended 31 March 2022, 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 Group, 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 2022.

Adoption status of relevant new financial reporting standards and interpretations

During the year, no new accounting standards were adopted by the Company or the consolidated Group.

Critical 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.

The general risk environment in which the Group operates has remained heightened during the period. Whilst the UK economy strengthened in comparison to the prior period, which was impacted by the ongoing Covid-19 pandemic, increasing geopolitical and macroeconomic uncertainty has continued to present a challenging environment for the sectors in which we operate. Whilst the trend for increased workforce flexibility (including working from home) remains, businesses continue to recognise the value of prime, sustainable places and occupier demand for this very best space has remained robust. The conflict in Ukraine, as well as wider geopolitical uncertainties, has contributed to significant inflation over the period, including energy prices. In response to inflation, rising interest rates will have the impact of dampening investor demand for real estate, with the resulting impact on valuations. The Directors remain vigilant to these risks, as well as any potential resulting opportunities that may arise.

2 Accounting policies (continued)

Key sources of estimation uncertainty:

- 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 arm's-length basis. However, the valuations of the Group's property portfolio are inherently subjective, as they are based upon valuer assumptions and estimations, that form part of the key unobservable inputs of the valuations, which may prove to be inaccurate. Further details on the valuer's assumptions, estimates and associated key unobservable inputs sensitivity disclosures, have been provided in Note 6.
- The key assumptions within the expected credit loss model include the tenants' credit risk rating and the related loss rates assumed for each risk rating depending on the historical experience collection rate and the ageing profile. Tenant risk ratings are determined by management, taking into consideration information available surrounding a tenant's credit rating, financial position and historical loss rates. Tenants are classified as being in Administration, CVA, high, medium or low risk based on this information. The assigned loss rates for these risk categories are reviewed at each balance sheet date and are based on historical experience collection rates and future expectations of collection rates. The same key assumptions are applied in the expected credit loss model for tenant incentives, without the consideration of the ageing profile which is not relevant for these balances. The loss rates attributed to each credit risk rating for tenant incentives tends to be lower than that attributed to lease debtors on the basis that the associated credit risk on these balances, which relate to the tenant's future lease liabilities, is lower than that associated to tenant debtors outstanding as a result of Covid-19.

Critical accounting judgements:

The Directors do not consider there to be any other critical accounting judgements in the preparation of Group financial statements. The following items are ongoing areas of accounting judgement, however, the Directors do not consider these accounting judgements to be critical, and significant accounting judgement has not been required for any of these items in the financial year.

- 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, debt 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.

As a consequence of this the Directors feel that the Group is well placed to manage its financing and other business risks satisfactorily despite the uncertain economic climate, and have a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. Accordingly, they believe the going concern basis is an appropriate one.

Broadgate REIT Limited

Notes to the Interim Financial Statements
for the six months ended 30 September 2022 (continued)

3 Revenue

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

	Six months ended 30 September 2022 £ m	Six months ended 30 September 2021 £ m
Rental income from investment property	**83**	81
Service charge income	**30**	28
Spreading of tenant incentives and guaranteed rent increases	**7**	-
	120	109

4 Finance income and costs

	Six months ended 30 September 2022 £ m	Six months ended 30 September 2021 £ m
Finance income		
Revaluation gain on derivatives	**30**	1
Finance costs		
Interest on secured bonds and Green loans	**(32)**	(30)
Premium costs on early repayment of secured bonds	**-**	(26)
Total finance costs	**(32)**	(56)
Net finance costs	**(2)**	(55)

In the six months ended 30 September 2021, premium costs on early repayment of secured bonds relates to the refinancing of 100 Liverpool Street.

Broadgate REIT Limited

Notes to the Interim Financial Statements
for the six months ended 30 September 2022 (continued)

5 Income tax

Tax charged/(credited) in the income statement

	Six months ended 30 September 2022 £ m	Six months ended 30 September 2021 £ m
Current taxation		
UK corporation tax	-	-
Total current income tax	-	-

Due to the Company's REIT status as discussed in the Accounting policies on page 11, the taxation charge for the six months ended 30 September 2022 has been calculated at 0% (30 September 2021 at 0%) of profit before tax. This represents the estimated effective rate of tax for the period.

6 Investment properties

	Development £ m	Freehold £ m	Long leasehold £ m	Total £ m
Fair value				
1 April 2022	**295**	**34**	**4,500**	**4,829**
Additions	**18**	**1**	**28**	**47**
Movement in lease incentives and rent review receivables	**-**	**-**	**4**	**4**
Revaluation movement included in consolidated Income Statement	**(2)**	**(2)**	**(194)**	**(198)**
30 September 2022	**311**	**33**	**4,338**	**4,682**

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).

6 Investment properties (continued)

These levels are specified in accordance with IFRS 13 ‘Fair Value Measurement’. Property valuations are inherently subjective as they are made on the basis of assumptions made by the valuer which may not prove to be accurate. For those reasons, we have classified the valuations of our property portfolio as Level 3 as defined by IFRS 13. Some of the inputs to the valuations are defined as "unobservable" by IFRS 13 and the significant inputs are analysed in the table below. Properties were valued as at 30 September 2022 by Cushman & Wakefield LLP.

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 valuations include the tenure of the property, tenancy details and ground and structural conditions.

In the case of ongoing developments, the approach applied is the “residual method” of valuation, which is the investment method of valuation as described above, with a deduction for all costs necessary to complete the development, including a notional finance cost, together with a further allowance for remaining risk. Properties held for development are generally valued by adopting the higher of the residual method of valuation, allowing for all associated risks, or the investment method of valuation for the existing asset.

Properties valued at £3,304m (31 Mar 2022: £3,413m) were charged to secure the borrowings of Broadgate Financing PLC. Properties valued at £830m (31 Mar 2022: £893m) were charged to secure the borrowings of Broadgate (PHC 3) Limited.

Investment properties valued at £4,682m (31 Mar 2022: £4,829m) were classified as Level 3 as defined by IFRS 13.

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 2022. These include Estimated Rental Value (ERV) and Net Equivalent Yield (NEY).

Fair value 30 September 2022	+5% ERV	-5% ERV	-25bps NEY	+25bps NEY	-5% costs	+5% costs
£m	£m	£m	£m	£m	£m	£m
4,682	211	(208)	331	(295)	33	(45)

Fair value 31 March 2022	+5% ERV	-5% ERV	-25bps NEY	+25bps NEY	-5% costs	+5% costs
£m	£m	£m	£m	£m	£m	£m
4,829	253	(254)	405	(361)	37	(37)

7 Loans and borrowings

Broadgate REIT Limited

Notes to the Interim Financial Statements
for the six months ended 30 September 2022 (continued)

7 Loans and borrowings (continued)

	30 September 2022 £ m	31 March 2022 £ m
Secured on the assets of the group		
Class A3 4.851% Bonds due 2033	**144**	144
Class A4 4.821% Bonds due 2036	**399**	399
Class B 4.999% Bonds due 2033	**365**	365
Class C2 5.098% Bonds due 2035	**191**	192
	1,099	1,100
£420m Floating Rate Green Loan due 2026	**418**	418
	1,517	1,518
Other borrowings		
Term loan	**52**	52
Shareholder loans	**904**	845
	956	897
Gross Debt	**2,473**	2,415
Cash and short-term deposits	**(126)**	(126)
Net Debt	**2,347**	2,289

At 30 September 2022, 100% of the secured bonds were fixed (31 March 2022: 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 £3,304m (31 March 2022: £3,413m). The weighted average interest rate of the bonds is 4.93% (31 March 2022: 4.93%). The weighted average maturity of the bonds is 8.4 years (31 March 2022: 8.9 years).

The 5 year £420m Green Loan is secured against 100 Liverpool Street, 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 2022 the average interest rate of the loan, including the effect of these derivatives, was 2.55% (31 March 2022: 1.8%.)

Broadgate REIT Limited

Notes to the Interim Financial Statements
for the six months ended 30 September 2022 (continued)

7 Loans and borrowings (continued)

Comparison of market values and book values and fair value hierarchy

		30 September 2022		31 March 2022	
	Level	Market Value £ m	Book Value £ m	Market Value £ m	Book Value £ m
Secured bonds	2	**1,005**	**1,098**	1,265	1,100
Green loan	2	**420**	**418**	420	418
Term loan	2	**52**	**52**	52	52
		1,477	**1,568**	1,737	1,570

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.

The following table presents a maturity profile of the contracted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal flows.

30 September 2022	Within one year £m	One to two years £m	Two to five years £m	Over five years £m	Total £m
Bonds	**3**	**14**	**140**	**942**	**1,099**
Green Loan	**-**	**-**	**420**	**-**	**420**
Term loan	**-**	**-**	**-**	**52**	**52**
Shareholder loans	**904**	**-**	**-**	**-**	**904**
Total loans and borrowings	**907**	**14**	**560**	**994**	**2,475**
Interest payable	**81**	**83**	**197**	**207**	**568**
Net payment	**988**	**97**	**757**	**1,201**	**3,043**

Broadgate REIT Limited

Notes to the Interim Financial Statements
for the six months ended 30 September 2022 (continued)

7 Loans and borrowings (continued)

31 March 2022	Within one year £m	One to two years £m	Two to five years £m	Over five years £m	Total £m
Bonds	**3**	**3**	**129**	**965**	**1,100**
Green loan	**-**	**-**	**420**	**-**	**420**
Term Loan	**-**	**-**	**-**	**52**	**52**
Shareholder loans	**845**	**-**	**-**	**-**	**845**
Total loans and borrowings	**848**	**3**	**549**	**1,017**	**2,417**
Interest payable	**66**	**70**	**184**	**230**	**550**
Net payment	**914**	**73**	**733**	**1,247**	**2,967**

8 Other financial assets

	30 September 2022 £ m	31 March 2022 £ m
Non-current financial assets		
Restricted cash	**12**	17
Interest rate derivative asset	**43**	13
	55	30

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 Consolidated Statement of Financial Position.

9 Share capital and premium

	30 September 2022 £ m	31 March 2022 £ m
Issued share capital and share premium - allotted, called up and fully paid		
Share capital of £1.00 each	**19**	19
Share premium	**1,431**	1,431
Total issued share capital and share premium	**1,450**	1,450

Net asset value per share at 30 September 2022 was £122 (31 March 2022: £132).

10 Capital Commitments

The Group had capital commitments contracted as at 30 September 2022 of £450m (31 March 2022: £403m).

11 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.

12 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 £1,931,742 (30 September 2021: £1,800,000) for asset management services, and £431,672 (30 September 2021: £396,177) for administration services, provided to the group. British Land Property Management Limited is a wholly owned subsidiary of The British Land Company PLC.

During the six month period, Broadgate (PHC 15a) Limited received £1,945,917 (30 September 2021: £1,945,917) from Storey Spaces Limited under management agreements. In addition, £4,935,521 (2021: £1,762,493) 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 15c) Limited received £127,820 (30 September 2021: £197,270) from Storey Spaces Limited under management agreements. In addition, £366,374 (30 September 2021: £39,835) of fees were incurred under the same management agreements.

During the six month period, Broadgate (PHC 3) Limited incurred £217,115 (30 September 2021: £15,000) of fees with Storey Spaces Limited under management agreements.

During the six month period, Bluebutton Developer Company (2012) Limited incurred £382,631 (30 September 2021: £637,393) of development fees due to British Land Property Management Limited.

During the six month period, the Company recharged £75,690 (30 September 2021: £nil) 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.