

Registration number: 05316365

Broadgate Financing PLC

Interim Report and Financial Statements

for the six months ended 30 September 2023

Broadgate Financing PLC

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Broadgate Financing PLC

Directors' Report for the six months ended 30 September 2023

The Directors present their report and unaudited interim financial statements for the six months ended 30 September 2023.

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 Richards

Principal activity

The Company's principal activity is to provide funding to fellow subsidiaries of Broadgate Property Holdings Limited in the United Kingdom (UK).

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 2023, interest payable on external bonds remains 100% fixed.

The Balance Sheet on page 7 shows the Company has net assets of £443,994 at 30 September 2023. Net assets have stayed consistent during the period.

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.

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 general risk environment in which the Company operates has been volatile in terms of the economic and political landscape, with future sentiment remaining fragile.

Broadgate Financing PLC

**Directors' Report
for the six months ended 30 September 2023 (continued)**

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 (2022: £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.

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


Each of the Directors confirms that to the best of their knowledge:

The condensed set of interim financial statements has been prepared in accordance with Financial Reporting Standard 104: Interim Financial Reporting issued by the Financial Reporting Council.

The Directors' Report above includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules (DTR), being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year.

10.11.2023

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

DocuSigned by:

.....923512BDC4694A4.....
Director

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 2023 (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 FRS 104 "Interim Financial Reporting" issued by the Financial Reporting Council 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 2023;
- the Profit and Loss Account and 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 FRS 104 "Interim Financial Reporting" issued by the Financial Reporting Council 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.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP
Chartered Accountants
London
10 November 2023

Broadgate Financing PLC**Profit and Loss Account
for the six months ended 30 September 2023**

	Note	Six months ended 30 September 2023 Unaudited £	Six months ended 30 September 2022 Unaudited £
Turnover		-	-
Administrative expenses		<u>(500)</u>	<u>(501)</u>
Loss before interest and taxation		(500)	(501)
Interest receivable and similar income	3	28,745,033	27,501,498
Interest payable and similar expenses	4	<u>(28,743,319)</u>	<u>(27,499,835)</u>
Profit before tax		1,214	1,162
Tax on profit		<u>(304)</u>	<u>(221)</u>
Profit for the period		<u>910</u>	<u>941</u>

Turnover 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 notes on pages 9 to 15 form an integral part of these interim financial statements.

Broadgate Financing PLC**Statement of Comprehensive Income
for the Period from 1 April 2023 to 30 September 2023**

	Six months ended 30 September 2023 Unaudited £	Six months ended 30 September 2022 Unaudited £
Profit for the period	910	941
Total comprehensive income for the period	910	941

The notes on pages 9 to 15 form an integral part of these interim financial statements.

Broadgate Financing PLC

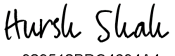
(Registration number: 05316365)

**Balance Sheet
as at 30 September 2023**

	Note	30 September 2023 Unaudited £	31 March 2023 Audited £
Current assets			
Debtors due within one year	5	171,757,163	160,311,809
Cash at bank and in hand	6	56,037,889	56,037,436
Intercompany non-current debtors	5	<u>1,083,526,752</u>	<u>1,095,810,106</u>
		<u>1,311,321,804</u>	<u>1,312,159,351</u>
Current liabilities			
Creditors due within one year	7	<u>(175,271,008)</u>	<u>(163,826,111)</u>
		1,136,050,796	1,148,333,240
Net current assets			
Non-current liabilities			
Loans and borrowings	8	<u>(1,135,606,802)</u>	<u>(1,147,890,156)</u>
		<u>443,994</u>	<u>443,084</u>
Net assets			
Capital and reserves			
Share capital	9	12,500	12,500
Profit and loss account		<u>431,494</u>	<u>430,584</u>
		<u>443,994</u>	<u>443,084</u>
Total shareholders' funds			

10.11.2023

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

DocuSigned by:

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Director

The notes on pages 9 to 15 form an integral part of these interim financial statements.

Broadgate Financing PLC**Statement of Changes in Equity
for the six months ended 30 September 2023**

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2022 (audited)	12,500	426,123	438,623
Profit for the period (unaudited)	-	941	941
Total comprehensive income for the period (unaudited)	-	941	941
Balance at 30 September 2022 (unaudited)	12,500	427,064	439,564
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)	12,500	431,494	443,994

The notes on pages 9 to 15 form an integral part of these interim financial statements.

Broadgate Financing PLC

Notes to the Interim Financial Statements for the six months ended 30 September 2023

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

Summary of significant 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.

Accounting basis

The information for the period ended 30 September 2023 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 2023 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.

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 IASB issued narrow-scope amendments to IAS 12 that are yet to be adopted by the UK endorsement board, as part of the Pillar Two model implementation. The Company is currently assessing the impact of Pillar Two and the associated IAS 12 amendments. 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' 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. These amendments to standards that are not yet effective are not expected to have a material impact on the Company's results.

Broadgate Financing PLC

Notes to the Interim Financial Statements for the six months ended 30 September 2023 (continued)

2 Accounting policies (continued)

Basis of preparation

These interim financial statements were prepared in accordance with Financial Reporting Standard 104 Interim Financial Reporting ("FRS 104") and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements does 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 2023, 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 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.

Summary of disclosure exemptions

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

- (a) The requirements of IAS 1 to provide a 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 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;
- (d) 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;
- (e) The requirements of IFRS 7 to disclose financial instruments; and
- (f) 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.

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 (2022: £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 the these financial statements and as a result they continue to adopt the going concern basis in preparing the accounts.

Broadgate Financing PLC**Notes to the Interim Financial Statements
for the six months ended 30 September 2023 (continued)****3 Interest receivable and similar income**

	Six months ended 30 September 2023 Unaudited £	Six months ended 30 September 2022 Unaudited £
Interest income on bank deposits	1,304,548	352,327
Interest receivable on amounts owed by related parties	<u>27,440,485</u>	<u>27,149,171</u>
	<u><u>28,745,033</u></u>	<u><u>27,501,498</u></u>

4 Interest payable and similar expenses

	Six months ended 30 September 2023 Unaudited £	Six months ended 30 September 2022 Unaudited £
Interest payable on bonds and borrowings	<u>28,743,319</u>	<u>27,499,835</u>
	<u><u>28,743,319</u></u>	<u><u>27,499,835</u></u>

5 Debtors

	30 September 2023 Unaudited £	31 March 2023 Audited £
Debtors due within one year		
Amounts due from related parties	158,388,267	147,360,815
Accrued income	13,355,709	12,937,806
Other debtors	11,339	11,340
Corporation tax asset	<u>1,848</u>	<u>1,848</u>
	<u><u>171,757,163</u></u>	<u><u>160,311,809</u></u>

Broadgate Financing PLC**Notes to the Interim Financial Statements
for the six months ended 30 September 2023 (continued)****5 Debtors (continued)**

	30 September 2023 Unaudited £	31 March 2023 Audited £
Debtors due after more than one year		
Amounts due from related parties - Long term loans	<u>1,083,526,752</u>	<u>1,095,810,106</u>
	<u>1,083,526,752</u>	<u>1,095,810,106</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 2023: 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.

6 Cash and cash equivalents

	30 September 2023 £	31 March 2023 £
Cash at bank	131,889	131,436
Short-term deposits	<u>55,906,000</u>	<u>55,906,000</u>
	<u>56,037,889</u>	<u>56,037,436</u>

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

7 Creditors due within one year

	30 September 2023 Unaudited £	31 March 2023 Audited £
Accrued interest	13,578,855	13,083,832
Amounts due to related parties	147,857,422	147,857,118
Secured bonds	13,816,380	2,866,810
Other creditors	<u>18,351</u>	<u>18,351</u>
	<u>175,271,008</u>	<u>163,826,111</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.

Broadgate Financing PLC**Notes to the Interim Financial Statements
for the six months ended 30 September 2023 (continued)****8 Loans and borrowings**

	30 September 2023 Unaudited £	31 March 2023 Audited £
Borrowings		
Borrowings due 1 to 2 years	46,666,810	35,716,810
Borrowings due 2 to 5 years	140,000,000	140,000,000
Borrowings due after 5 years	948,939,992	972,173,346
	<u>1,135,606,802</u>	<u>1,147,890,156</u>

Amounts due after five years include the term loan of £52,080,000 (31 March 2023: £52,080,000) which represents a liquidity facility with NatWest Markets PLC. The cash received is held on deposit.

Broadgate Financing PLC**Notes to the Interim Financial Statements
for the six months ended 30 September 2023 (continued)****8 Loans and borrowings (continued)**

	30 September 2023 Unaudited £	31 March 2023 Audited £
Borrowings repayment analysis		
Borrowings due within one year	13,816,380	2,866,810
Borrowings due between one to two years	46,666,810	35,716,810
Borrowings due between two to five years	140,000,000	140,000,000
	200,483,190	178,583,620
Borrowings due after five years	948,939,992	972,173,346
Total borrowings	1,149,423,182	1,150,756,966
Gross debt	1,149,423,182	1,150,756,966

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

	30 September 2023 Unaudited £	31 March 2023 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	365,000,000	365,000,000
Class C2 5.098% Bonds 2035	188,483,190	189,916,810
Total secured bond borrowings	1,097,383,240	1,098,816,860
Term Loan	52,080,000	52,080,000
Total secured borrowings	1,149,463,240	1,150,896,860

At 30 September 2023, 100% (31 March 2023: 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 £2,740m (31 March 2023: £2,916m). The weighted average interest rate of the bonds is 4.93% (31 March 2023: 4.93%). The weighted average maturity of the bonds is 7.4 years (31 March 2023: 7.9 years).

Broadgate Financing PLC**Notes to the Interim Financial Statements
for the six months ended 30 September 2023 (continued)****8 Loans and borrowings (continued)****Fair value of bonds**

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

	30 September 2023 Unaudited £	31 March 2023 Audited £
Secured bonds at fair value	<u><u>1,018,927,303</u></u>	<u><u>1,067,805,334</u></u>

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

	No.	30 September 2023 Unaudited £	No.	31 March 2023 Audited £
Ordinary shares of £0.25 each	50,000	12,500	50,000	12,500

10 Capital commitments

The Company had capital commitments contracted as at 30 September 2023 of £nil (31 March 2023: £nil).

11 Related party transactions

The Company has taken advantage of the exemption granted to wholly owned subsidiaries not to disclose transactions with group companies under the provisions of FRS 101.

12 Subsequent events

There have been no subsequent events since 30 September 2023.

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 2014 Limited, a wholly owned subsidiary of The British Land Company PLC.

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.