

Registration number: 00467242

BLD (A) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2022



BLD (A) Limited

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BLD (A) Limited

Strategic Report for the Year Ended 31 March 2022

The directors present their Strategic Report for the year ended 31 March 2022.

Business review and principal activities

BLD (A) Limited ("the company") is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies ("the group").

The company's principal activity is property investment in the United Kingdom (UK).

As shown in the company's Profit and Loss Account on page 5, the company's turnover of £nil has decreased by £950,145 compared with turnover of £950,145 in the prior year. This is due to the current year being the first full year during which no investment property was held by the company.

Loss on ordinary activities before taxation is £91,290 compared to a loss on ordinary activities before taxation of £4,027,264 in the prior year. In the current year the loss was driven by disposal fees being incurred, however in the prior year the loss was driven by the loss on disposal of investment property.

A loss on sale of investment properties was recorded in the year of £132,859 (2021: loss of £4,293,643). This was due to the company incurring sales fees in the current year on the disposal of investment property that occurred in the prior year.

Dividends of £nil (2021: £nil) were paid in the year.

The Balance Sheet on page 7 shows that the company's financial position at the year end has, in net assets terms, decreased compared with the prior year due to the loss for the year.

The company is a subsidiary of The British Land Company PLC. The company's strategy is the same as the group's strategy - to deliver an above average annualised total return to shareholders, which is achieved by creating attractive environments in the right places focused around the people who work, shop and live in them.

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

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

For more information also see The British Land Company PLC group annual report.

The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

BLD (A) Limited

Strategic Report for the Year Ended 31 March 2022 (continued)

Principal risks and uncertainties

This company is part of a large property investment group. As such, the fundamental underlying risks for this company are those of the property group as discussed below.

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

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

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

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

The financial and political risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group financial statements.

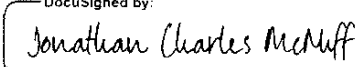
The company has no third party debt and no associated third party interest rate exposure.

The general risk environment in which the Company operates has remained heightened during the period due to the continued impact of Covid-19, and the emergence of the UK economy from the pandemic, including related challenges in parts of the UK retail market and macroeconomic headwinds through rising inflation. Despite this the general risk environment is considered to have improved during the year with lifting of lockdown restrictions for the majority of the year, and improved activity in the UK economy and wider global investment markets.

The emergence of the conflict in Ukraine in February 2022 has led to increased global economic uncertainty with sanctions imposed upon Russia and heightened political and diplomatic tensions. The Directors do not consider the conflict at this stage to have had a material impact on the Company's financial statements owing to the nature of the Company's UK focused operations and limited exposure to Ukrainian and Russian businesses.

02/09/2022

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

DocuSigned by:

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Jonathan Charles McNuff

Director

BLD (A) Limited

Directors' Report for the Year Ended 31 March 2022

The directors present their report and the unaudited financial statements for the year ended 31 March 2022.

Directors of the company

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

S M Barzycki (resigned 18 March 2022)

P S Macey

J C McNuff

C J Middleton (resigned 31 March 2022)

N M Webb

P J Murrell (appointed 18 March 2022)

M J Meadows (appointed 16 March 2022)

V Warr (appointed 18 March 2022)

Directors' responsibilities statement

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Environmental matters

Across the group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies. The group's full sustainability report is available online at:

<http://www.britishland.com/sustainability/reporting/latest-reporting>

In preparing the financial statements, the impact of climate change has been considered. Whilst noting the Company's commitment to sustainability, there has not been a material impact on the financial reporting judgements and estimates arising from our considerations, which include physical climate and transitional risk assessments conducted by the Company.

BLD (A) Limited

Directors' Report for the Year Ended 31 March 2022 (continued)

Going Concern

The Company's business activities are set out in the Principal Activities section of the Strategic Report on Page 1. The principal activity of the Company is the holding of property that was disposed of in prior years, and as such, the Company has ceased to trade. The Directors have formed the judgement that it is appropriate to prepare the financial statements on a basis other than going concern. There is no material difference in the value of assets and liabilities shown in the financial statements as a result of preparing them on a basis other than going concern.

Subsequent Events

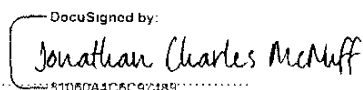
Details of significant events since the Balance Sheet date, if any, are contained in note 14.

Audit exemption taken for the year ended 31 March 2022

The company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of that Act, as disclosed on pages 219-220 of The British Land Company PLC Annual Report and Accounts 2022. The ultimate holding company and controlling party is The British Land Company PLC.

02/09/2022

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

DocuSigned by:

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Jonathan Charles McNuff

Director

BLD (A) Limited**Profit and Loss Account for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
Turnover	4	-	950,145
Cost of sales		<u>41,569</u>	<u>(650,975)</u>
Operating profit		<u>41,569</u>	<u>299,170</u>
Loss from sale of investment properties		<u>(132,859)</u>	<u>(4,293,643)</u>
Loss on ordinary activities before interest and taxation		<u>(91,290)</u>	<u>(3,994,473)</u>
Interest payable and similar expenses	5	<u>-</u>	<u>(32,791)</u>
Loss on ordinary activities before taxation		<u>(91,290)</u>	<u>(4,027,264)</u>
Taxation	7	<u>-</u>	<u>495,834</u>
Loss for the year		<u><u>(91,290)</u></u>	<u><u>(3,531,430)</u></u>

Turnover and results were derived from continuing operations within the United Kingdom.

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

BLD (A) Limited

Statement of Comprehensive Expense for the Year Ended 31 March 2022

	2022 £	2021 £
Loss for the year	<u>(91,290)</u>	<u>(3,531,430)</u>
Total comprehensive expense for the year	<u><u>(91,290)</u></u>	<u><u>(3,531,430)</u></u>

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

BLD_(A) Limited

(Registration number: 00467242)

Balance Sheet as at 31 March 2022

	Note	31 March 2022 £	31 March 2021 £
Current assets			
Debtors	9	<u>30,432,136</u>	<u>30,545,447</u>
		30,432,136	30,545,447
Creditors due within one year	10	<u>(293,127)</u>	<u>(315,148)</u>
Net current assets		<u>30,139,009</u>	<u>30,230,299</u>
Net assets		<u>30,139,009</u>	<u>30,230,299</u>
Capital and reserves			
Share capital	11	5,000,000	5,000,000
Profit and loss account		<u>25,139,009</u>	<u>25,230,299</u>
Total shareholders' funds		<u>30,139,009</u>	<u>30,230,299</u>

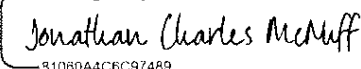
For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

02/09/2022

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

DocuSigned by:

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Jonathan Charles McNuff

Director

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

BLD (A) Limited**Statement of Changes in Equity for the Year Ended 31 March 2022**

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2020	5,000,000	28,761,729	33,761,729
Loss for the year	-	(3,531,430)	(3,531,430)
Total comprehensive expense for the year	-	(3,531,430)	(3,531,430)
Balance at 31 March 2021	<u>5,000,000</u>	<u>25,230,299</u>	<u>30,230,299</u>
 Balance at 1 April 2021	 5,000,000	 25,230,299	 30,230,299
Loss for the year	-	(91,290)	(91,290)
Total comprehensive expense for the year	-	(91,290)	(91,290)
Balance at 31 March 2022	<u>5,000,000</u>	<u>25,139,009</u>	<u>30,139,009</u>

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

BLD (A) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

1 General information

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

The address of its registered office is:

York House
45 Seymour Street
London
W1H 7LX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Instances in which advantage of the FRS 101 disclosure exemptions have been taken are set out below.

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Summary of disclosure exemptions

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

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and
- (i) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs.

BLD (A) Limited

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)**

2 Accounting policies (continued)

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

Adoption status of relevant new financial reporting standards and interpretations

In the current financial year the Company has adopted a number of minor amendments to standards effective in the year, none of which have had a material impact on the Company.

These amendments include IFRS 16 - Covid-19 Related Rent Concessions, and amendments to IFRS 9, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform - Phase 2.

Going Concern

The Company's business activities are set out in the Principal Activities section of the Strategic Report on Page 1. The principal activity of the Company is the holding of property that was disposed of in prior years, and as such, the Company has ceased to trade. The Directors have formed the judgement that it is appropriate to prepare the financial statements on a basis other than going concern. There is no material difference in the value of assets and liabilities shown in the financial statements as a result of preparing them on a basis other than going concern.

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

Debtors

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

Creditors

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

BLD (A) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)****3 Critical accounting judgements and key sources of estimation uncertainty**

In applying the Company's accounting policies, the Directors are required to make critical accounting judgements and assess key sources of estimation uncertainty that affect the financial statements.

The general risk environment in which the Company operates has remained heightened during the period due to the continued impact of Covid-19, and the emergence of the UK economy from the pandemic, including related challenges in parts of the UK retail market and macroeconomic headwinds through rising inflation. Despite this the general risk environment is considered to have improved during the year with lifting of lockdown restrictions for the majority of the year, and improved activity in the UK economy and wider global investment markets.

The emergence of the conflict in Ukraine in February 2022 has led to increased global economic uncertainty with sanctions imposed upon Russia and heightened political and diplomatic tensions. The Directors do not consider the conflict at this stage to have had a material impact on the Company's financial statements owing to the nature of the Company's UK focused operations and limited exposure to Ukrainian and Russian businesses.

Key sources of estimation uncertainty

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

Critical accounting judgements

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

4 Turnover

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

	2022	2021
	£	£
Rental income from investment property	-	631,967
Service charge income	-	318,178
	<u>-</u>	<u>950,145</u>

5 Interest payable and similar expenses

	2022	2021
	£	£
Interest on obligations under leases	-	32,791
	<u>-</u>	<u>32,791</u>

6 Staff costs

No director (2021: nil) received any remuneration for services to the company in either year. The remuneration of the directors was borne by another company, for which no apportionment or recharges were made.

Average number of employees, excluding directors, of the company during the year was nil (2021: nil).

BLD (A) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)****7 Tax on profit on ordinary activities**

	2022 £	2021 £
Current taxation		
UK corporation tax	-	293,127
Deferred taxation		
Arising from origination and reversal of temporary differences	-	(788,961)
Tax credit in the profit and loss account	-	(495,834)
	2022 £	2021 £
Tax reconciliation		
Loss on ordinary activities before taxation	(91,290)	(4,027,263)
Tax on loss on ordinary activities at UK corporation tax rate of 19% (2021: 19%)	(17,345)	(765,180)
Effects of:		
REIT exempt income and gains	(7,589)	(52,541)
Capital allowances	(288)	(351)
Taxable transfer pricing adjustments	122,849	46,241
Decrease in fair value of property & investments	25,244	1,108,919
Deferred tax movement	-	(788,961)
(Income not taxable)/Expenses not allowable	(22)	2,280
Group relief	(122,849)	(46,241)
Total tax credit	-	(495,834)

On 24 May 2021 legislation was substantially enacted to increase the corporation tax rate to 25% from 1 April 2023. Where relevant this has been reflected in the deferred tax calculation.

BLD (A) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)****8 Investment properties**

	£
Fair value	
1 April 2021	-
31 March 2022	-
Fair value	
1 April 2020	26,699,697
Disposals	(26,667,626)
Lease incentive movements	(32,071)
31 March 2021	-
Analysis of cost and valuation	
31 March 2022	
Cost	-
Valuation	-
Net book value	-
31 March 2021	
Cost	-
Valuation	-
Net book value	-

At 31 March 2022 the book value of freehold investment properties owned by the company was £nil (2021: £nil). The sale of the final investment property held by the company, 16 & 17 & 18 Berners Street, completed in the prior year, and means that the company no longer holds any investment property.

BLD (A) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)****9 Debtors**

	31 March 2022 £	31 March 2021 £
Trade debtors	84,168	121,592
Provision for impairment of trade debtors	-	(78,562)
Net trade debtors	84,168	43,030
Amounts due from related parties	30,338,779	30,501,526
Prepayments	-	891
VAT	9,189	-
	30,432,136	30,545,447

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

10 Creditors due within one year

	31 March 2022 £	31 March 2021 £
Accrued expenses	-	13,556
Social security and other taxes	-	8,465
Corporation tax liability	293,127	293,127
	293,127	315,148

Amounts due to related parties relate to amounts owed to group companies which are repayable on demand. Interest is charged on these balances in accordance with the group policy on intercompany loan accounts.

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

	No.	31 March 2022 £	No.	31 March 2021 £
Ordinary shares of £1 each	5,000,000	5,000,000	5,000,000	5,000,000

BLD (A) Limited

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022
(continued)**

12 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2021: £nil).

13 Contingent liabilities

The company is jointly and severally liable with the ultimate holding company and fellow subsidiaries for all monies falling due under the group VAT registration

14 Subsequent events

There have been no significant events since the year end.

15 Parent and ultimate parent undertaking

The immediate parent company is BL Retail Warehousing Holding Company Limited.

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