

Company Registration No. 02027256

**Broadridge City Networks (UK)
Limited**

Annual Report and Financial Statements

For the year ended 30 June 2017



Broadridge City Networks (UK) Limited

Report and financial statements 2017

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Report of the independent auditor	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the financial statements	11-15

Broadridge City Networks (UK) Limited

Officers and professional advisers 30 June 2017

Directors

D Kelly
A Amsterdam
T Carey

Registered office

193 Marsh Wall
London
E14 9SG

Secretary

TMF Corporate Administration Services Limited
6 St Andrew Street
London
EC4A 3AE

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Broadridge City Networks (UK) Limited

Directors' Report

30 June 2017

The directors present their report and the audited financial statements for the year ended 30 June 2017.

Principal activities

The company is a holding company of two subsidiary undertakings operating as developers and providers of security processing software

Results and dividends

The company's turnover for the year was £nil (2016: £nil). The company made no profit or loss on ordinary activities after taxation during the year (2016: £3.6m). The directors did not pay a dividend in 2017 (2016: £3.6m).

Review of business and future prospects

The company has £nil turnover during the year (2016: £nil) as it has no trading business remaining. In respect of the pre-tax profits there has been a decrease of £3.6m (2016: £2.2m increase).

The financial position in respect to net current assets has remained unchanged from 2016 (2016: increase of £5k). Net current liabilities now stand at £24k (2016: £24k) and £24k is debt to group companies (2016: £24k).

Broadridge City Networks (UK) Limited forms part of the Global Technology and Operations Division, which is a member of the Broadridge Financial Solutions Inc. group. Broadridge Financial Solutions Inc. increased turnover and increased pre tax earnings during the year. Please refer to the Broadridge Financial Solutions Inc. official website at www.broadridge.com for full financial statements which do not form part of this report.

Going concern

The directors consider the company has adequate resources to remain in operation for the foreseeable future which includes a letter of support from the ultimate parent company Broadridge Financial Solutions Inc. The directors have no reason to believe that, should financial support be required, it will not be made available and consider it appropriate to adopt a going concern basis in preparing the financial statements.

Principal risks and uncertainties

The company is non-trading and has no external revenue. As a result the company has no external creditors, debtors or financing, therefore there is no financial risk or uncertainty.

Directors

The directors, who served throughout the year, were as follows:

D Kelly

A Amsterdam

T Carey

Broadridge City Networks (UK) Limited

Directors' Report (continued) **30 June 2017**

Auditors

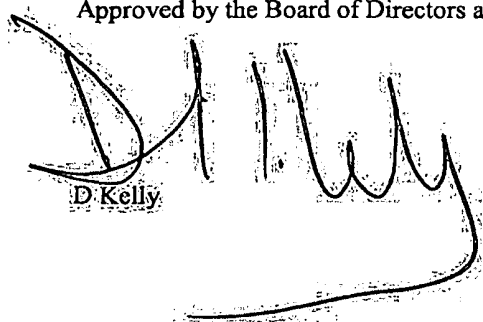
Each of the persons who is a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Grant Thornton UK LLP have expressed their willingness to continue in office, and will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

This report has been prepared in accordance with the special provision to small companies within Part 15 of the Companies Act 2006. The company has taken advantage of the small company exemption not to prepare a Strategic Report.

Approved by the Board of Directors and signed on behalf of the Board on 28th March 2018:



D. Kelly

Director

Broadridge City Networks (UK) Limited

Directors' responsibilities statement

30 June 2017

The directors are responsible for preparing the Directors' 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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. They 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.

Report of the Independent Auditor to the Members of Broadridge City Networks (UK) Limited

We have audited the financial statements of Broadridge City Networks (UK) Limited for the year ended 30 June 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Report of the Independent Auditor to the Members of Broadridge City Networks (UK) Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Report of the Independent Auditor to the Members of Broadridge City Networks (UK) Limited (continued)

In preparing the 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP

Marc Summers, FCA BSc

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

28th March 2018

Broadridge City Networks (UK) Limited

Statement of Comprehensive Income 30 June 2017

	Note	2017 £'000	2016 £'000
Turnover	4		
Administrative expenses			
Operating profit	5		
Other income	6		3,631
Loss on disposal			(47)
Interest receivable and similar income			
Profit on ordinary activities before taxation			3,584
Tax on profit on ordinary activities	7		5
Profit for the financial year			3,589
Total comprehensive income for the financial year			3,589

All amounts derive from continuing operations.

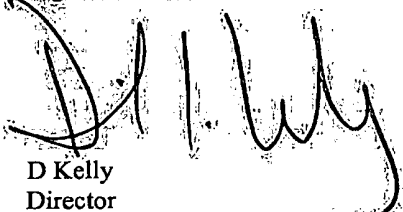
Broadridge City Networks (UK) Limited

Statement of Financial Position 30 June 2017

	Note	2016 £'000	2015 £'000
Fixed assets			
Investments	8	1,078	1,078
		<u>1,078</u>	<u>1,078</u>
Creditors: amounts falling due within one year	9	(24)	(24)
Total assets less current liabilities		<u>1,054</u>	<u>1,054</u>
Net assets		<u>1,054</u>	<u>1,054</u>
Capital and reserves			
Called-up share capital	10	13	13
Other reserve		(4,033)	(4,033)
Capital reserve		13	13
Profit and loss account		<u>5,061</u>	<u>5,061</u>
Equity shareholders' funds		<u>1,054</u>	<u>1,054</u>

These financial statements were approved by the Board of Directors on 28th March 2018

Signed on behalf of the Board of Directors



D Kelly
Director

Company Registration No. 1870679

Broadridge City Networks (UK) Limited

Statement of Changes in Equity Year ended 30 June 2017

	Called-up share capital	Other reserve	Capital redemption reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000
At 1 July 2015	13	(4,033)	13	5,051	1,044
Profit and total comprehensive income for the year				3,589	3,589
Dividends paid				(3,579)	(3,579)
At 30 June 2016	<u>13</u>	<u>(4,033)</u>	<u>13</u>	<u>5,061</u>	<u>1,054</u>
Profit and total comprehensive income for the year					
At 30 June 2017	<u>13</u>	<u>(4,033)</u>	<u>13</u>	<u>5,061</u>	<u>1,054</u>

Broadridge City Networks (UK) Limited

Notes to the financial statements Year ended 30 June 2017

1. Company information

Broadridge City Networks (UK) Limited is a limited liability company incorporated in England. The registered office is 193 Marsh Wall, London E14 9SG.

2. Significant judgements and estimates.

In the preparation of these financial statements, there were no critical judgements that management made in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements, nor key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Principal accounting policies

The principal accounting policies are summarised below and have been applied consistently throughout the current and preceding year.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards, including Financial Reporting Standard 102.

Broadridge City Networks (UK) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available. Exceptions have been taken in relation to share-based payments, presentation of a cash flow statement, financial instruments, intra-group transactions, and remuneration of key management personnel.

Going concern

The directors consider the company has adequate resources to remain in operation for the foreseeable future which includes a letter of support from the ultimate parent company Broadridge Financial Solution Inc. The directors have no reason to believe that, should financial support be required, it will not be made available and consider it appropriate to adopt a going concern basis in preparing the financial statements.

Share based payments

Prior to the purchase by Broadridge Financial Solutions Limited, the company awarded share options to certain employees. These share-based payments were measured at fair value at the date of grant and the fair value was expensed on a straight-line basis over the vesting period allowing for an estimated number of leavers in each year. Fair value was estimated using the Black Scholes option-pricing model, taking into account the exercise price of the option, an estimated market price for the shares, risk-free interest rates at the date of grant and the expected volatility of the company's share price over the life of the option.

Deferred taxation

In accordance with FRS 102, deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from this in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Broadridge City Networks (UK) Limited

Notes to the financial statements Year ended 30 June 2017

3. Principal accounting policies (continued)

Current taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Functional currency and presentation currency

The company financial statements are presented in the currency of the primary economic environment in which the entity operates. The financial statements are presented in Sterling (£).

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates prevailing at that date. The resulting translation differences are dealt with in the profit and loss account.

Creditors

Short term trade creditors are measured at the transaction price.

Consolidated financial statements

In accordance with Section 401 of the Companies Act 2006 consolidated accounts have not been prepared as the company is a wholly owned subsidiary of Broadridge Financial Solutions Inc. Broadridge Financial Solutions Inc is incorporated in the United States of America which prepares consolidated financial statements. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

4. Turnover

There is no turnover as the company is a holding company.

5. Operating profit

Auditors' remuneration in the current year has been borne by a fellow group company.

Broadridge City Networks (UK) Limited

Notes to the financial statements Year ended 30 June 2017

6. Other income

	2017 £'000	2016 £'000
Dividend income		3,631

7. Tax charge on profit on ordinary activities

	2017 £'000	2016 £'000
Current tax		
UK corporation tax		-
Adjustment in respect of prior years		5
Tax on profit on ordinary activities		5

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows.

	2017 £'000	2016 £'000
Profit on ordinary activities before tax		3,584
Tax on profit on ordinary activities at 20.00% (2016: 20.00%)		717
Effects of:		
Expenses not deductible for tax purposes		9
Income not taxable for tax purposes		(726)
Adjustments from previous periods		5
Current tax charge for the year		5

Broadridge City Networks (UK) Limited

Notes to the financial statements Year ended 30 June 2017

8. Investments held as fixed assets

Broadridge City Networks (UK) Limited has the following wholly owned subsidiaries:

Name of investment	Activity	Country of incorporation	% Owned
Broadridge (Singapore) Private Limited	Computer software	Singapore	100
Broadridge (Japan) Limited	Computer software	Japan	100

Cost	2017
At 30 June 2016	£'000
At 30 June 2017	<u>2,910</u>
	<u>2,910</u>
Provision	
At 30 June 2016	<u>(1,832)</u>
At 30 June 2017	<u>(1,832)</u>
Net book value	
At 30 June 2017	<u>1,078</u>
At 30 June 2016	<u>1,078</u>

All the above subsidiary undertakings have share capital consisting solely of ordinary shares. All subsidiaries have been value at the lower of cost and net asset. The brought forward provision of £1.8m relates to the impairment of Broadridge (Japan) Limited to its net assets.

9. Creditors

Amounts falling due within one year:

	2017	2016
	£'000	£'000
Amounts owed by group undertakings	<u>24</u>	<u>24</u>
	<u>24</u>	<u>24</u>

Broadridge City Networks (UK) Limited

Notes to the financial statements Year ended 30 June 2017

10. Called-up share capital

	2017 £'000	2016 £'000
Authorised:		
50,000,000 ordinary shares of £0.01 each	500,000	500,000
Allotted, called up and fully paid:		
1,311,361 ordinary shares of £0.01 each	13	13

11. Capital commitments

The company had no capital commitments at 30 June 2017 or 30 June 2016.

12. Related party transactions

As a wholly owned subsidiary and qualifying entity the company has taken advantage of the exemption in FRS102 "Related Party Disclosures" from disclosing transactions with other members of the group.

13. Ultimate parent company

The ultimate parent company and controlling party of Broadridge Financial Solutions Limited is Broadridge Financial Solutions Inc. which is incorporated in the United States of America. The immediate parent company is Broadridge Financial Solutions International Limited which is incorporated and registered in England and Wales.

The parent company of the largest such group is Broadridge Financial Solutions Inc. Copies of the financial statements of Broadridge Financial Solutions Inc. are available at www.broadridge.com.