

**BBC Property Development
Limited**

**Directors' report and financial
statements**

Registered number 4243136

31 March 2002



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Directors' report

The directors present their report and the financial statements for the period ended 31 March 2002.

The Company was incorporated on 28 June 2001 and the financial statements are based on the period from incorporation to 31 March 2002.

During the period the Company has not traded and is not expected to trade in the year to 31st March 2003.

Directors

The directors who served during the period were as follows:

John Smith (Chairman)
Ian Robertson

Directors interests

No director had any interest in the share capital of the Company at 31 March 2002 or at any time during the period. No rights to subscribe for shares in or debentures of the Company or any other Company within the BBC group (the Group) were granted to any of the directors or their immediate families, or exercised by them, during the financial period.

This report has been prepared in accordance with the special provisions relating to small companies under s246 Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The environment

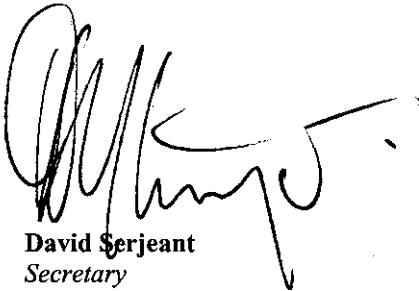
BBC Property Investment Limited does not operate in industries where there is potential for serious industrial pollution. However, the Company recognises its responsibility to be aware of, and take steps to control and minimise, any damage its business may cause to the environment.

Corporate governance

As a wholly owned subsidiary of the BBC, the Company fully supports the recommendations of the Combined Code. However, following a review of the related disclosures made by the BBC, the directors consider that the Company's own disclosures provide little useful additional information. Consequently the directors have not included this information in these financial statements. Disclosure of how the BBC complies with the requirements of the Combined Code is given in its annual report and consolidated accounts, which may be obtained from The Secretary, BBC, Broadcasting House, Portland Place, London, W1A 1AA.

Directors' report *(continued)*

By order of the board

A handwritten signature in black ink, appearing to read 'D. Serjeant', is written over the printed name and title.

David Serjeant
Secretary

Broadcasting House
Portland Place
London
W1A 1AA

6th January 2003

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Profit and loss account

for the nine month period ended 31 March 2002

During the period the Company did not trade and received no income and incurred no expenditure. Consequently the company made neither a profit nor a loss.

Balance sheet

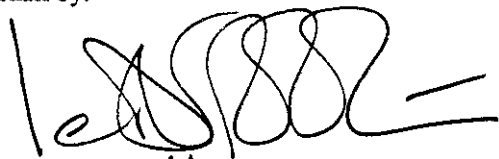
at 31 March 2002

	Note	As at 31 March 2002 £
Fixed assets		-
Debtors	5	100
Total net assets		<u>100</u>
Capital and reserves		100
Called up share capital	6	-
Profit and loss account		-
Equity shareholder's surplus		<u>100</u>

The directors:

- (a) confirm that the company was entitled to exemption under subsection (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts for the period ended 31 March 2002 audited.
- (b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with sub-section (2) of section 249B(2) of that Act.
- (c) acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of directors on 6th January 2003 and were signed on its behalf by:



Ian Robertson
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has confirmed that it will support the company for the foreseeable future.

2 Remuneration of directors

Remuneration

The Company did not make any payments in respect of salary and bonuses and did not provide any benefits to its directors during the period or make any pension contributions to the BBC Pension Scheme.

Service Contracts

All directors are employed under service contracts with the BBC.

3 Employees and remuneration

The Company did not employ staff at any time during the period nor make any payments in respect of wages and salaries.

Administrative services are provided by the BBC.

4 Auditors' remuneration

No auditors fees were incurred.

NOTES (continued)

5 Debtors

£100 due to parent undertaking.

6 Called up share capital

As at 31 March 2002

Authorised

100 ordinary shares of £1 each

£

100

Allotted, called up and fully paid

100 ordinary shares of £1 each

100

7 Related party transactions

Under FRS 8, the Company is exempt from the requirement to disclose related party transactions with the BBC on the grounds that it is a wholly owned subsidiary undertaking of the BBC, whose financial statements are publicly available, and with other group entities, where more than 90% of these entities' voting rights are controlled within the Group.

8 Ultimate holding and controlling party

The Company's ultimate parent undertaking and controlling party is the British Broadcasting Corporation which is incorporated in the United Kingdom by Royal Charter. The largest and the only group in which the results of the Company are consolidated is that headed by the BBC. Copies of the financial statements of the BBC may be obtained from The Secretary, BBC, Broadcasting House, Portland Place, London, W1A 1AA.