

BRE GLOBAL LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

FINANCIAL STATEMENTS
FOR THE YEAR

1 APRIL 2008 - 31 MARCH 2009

Company Registration Number: 3548352

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS

For the year 1 April 2008 – 31 March 2009

Registered office:

Bucknalls Lane
Garston
Watford
Herts
WD25 9XX

Bankers:

Barclays Bank Plc
Level 28
1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors:

Sherrards
45 Grosvenor Road
St Albans
Herts
AL1 3AW

Auditors:

KPMG LLP
Aquis Court
31 Fishpool Street
St Albans
Herts
AL3 4RF

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS

For the year 1 April 2008 – 31 March 2009

INDEX	PAGE
Report of the directors	1-2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditors' report to the members of BRE Global Limited	4-5
Principal accounting policies	6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9-12

BRE GLOBAL LIMITED

REPORT OF THE DIRECTORS

For the year 1 April 2008 – 31 March 2009

BRE Global Limited is a non profit-distributing company limited by guarantee, having no share capital. The ultimate parent undertaking and controlling party is BRE Trust (the Trust), which is a company with no share capital and which is limited by guarantee.

Principal activity

The company has been established to carry out research, testing, training and certification – specialising in fire, electronics, security, safety, sustainability and risk management. These activities are guided by an advisory governing body comprising representatives of stakeholders in the services offered.

The Building Research Establishment Limited (“BRE”) makes a charge to the company for any seconded staff and also for use of accommodation and facilities. BRE is a wholly owned subsidiary of the Trust.

Review of the business

Turnover increased during the current year by £1,974k to £18,427k due to increased scope of activities and strong performance across the majority of the business groups in the company. Operating profit also grew strongly, to £1,661k (2008: £1,457k). We started the year optimistically knowing that we had a strong order book and the opportunity for growth globally. We worked closely with our existing customer base to improve service, whilst implementing our plans for expansion into Europe, Middle East and China where we have now set up an office. During the year, as the economic crisis took its toll on the construction and manufacturing industries, we saw a slow down in requests for work and orders placed and the number of BREEAM registrations significantly reduced. Nevertheless, we continued to focus our efforts on delivery, sales and business process improvements and by the end of the year we still had a healthy business with some good business prospects. We intend to launch BREEAM in Use and BREEAM for Communities and publish the BREEAM International standard in the coming year.

The business enters the new financial year quietly confident it will have a successful albeit challenging one.

Risk

The risk management process in BRE Global Ltd seeks to enable the early identification, evaluation and effective management of the key risks facing the business at operational level and to operate internal controls, which adequately mitigate these risks. The company regularly assess its risk management activities to ensure good practice in all areas.

The principle risk and uncertainty affecting the business is credit risk. The business is exposed to counterparty credit risk when dealing with customers and from certain financing activities. The Company maintains strong relationships with each of its key customers and has established credit control parameters. Credit evaluations are performed on all customers requiring significant credit and outstanding debts are continuously monitored by each business. Concentrations of credit risk are limited as a result of the large and diverse customer base.

Political and charitable donations

The company made no political donations and charitable donations during the year (2008 £:nil).

Directors

The details of the directors are set out below:

Chairman and Director	Martin J Wyatt	
Directors	Carol J Atkinson	
	Philip J Field	
	James F Horan	(resigned 29 September 2008)
	Russell Heusch	(appointed 29 September 2008)
Secretary	James F Horan	(resigned 29 September 2008)

BRE GLOBAL LIMITED

REPORT OF THE DIRECTORS

For the year 1 April 2008 – 31 March 2009

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD

Russell Heusch
Director

Bucknalls Lane
Garston
Watford
WD25 9XX
5th August 2009

BRE GLOBAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year 1 April 2008 – 31 March 2009

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK generally Accepted Accounting Standards).

The financial statements are required by law to 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 then apply them consistently;
- make judgments and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a 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.



KPMG LLP

Aquis Court
31 Fishpool Street
St Albans
AL3 4RF
United Kingdom

Independent auditors' report to the members of BRE Global Limited

We have audited the financial statements of BRE Global Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, the principal accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of BRE Global Limited (formerly BRE Certification Limited) (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP
Chartered Accountants
Registered Auditor

2009

BRE GLOBAL LIMITED

PRINCIPAL ACCOUNTING POLICIES

For the year 1 April 2008 - 31 March 2009

ACCOUNTING POLICIES

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

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and are prepared under the historical cost convention. The principal accounting policies are as set out below and have remained unchanged from the previous year.

Under FRS 1 'Cash Flow Statements' 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.

As the company is a wholly controlled subsidiary of BRE Trust, the company has taken advantage of the exemption contained in FRS 8 'Related Party Disclosures' and has, therefore, not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of BRE Trust, within which this company is included, can be obtained from the address shown at the front of the financial statements.

TURNOVER

Turnover represents the invoiced amount for certification of products, services, systems and personnel; and amounts recoverable on contracts. Turnover is stated net of value added tax.

Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover reflecting the proportion of work completed to date on the project.

LONG TERM CONTRACTS

Amounts recoverable on long term contracts (work done not invoiced), which are included in debtors, are stated at the net sales value of the work done after making provision for contingencies and anticipated future losses on contracts and deducting amounts received as payments on account.

TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is recognised without discounting, in respect of all timing differences between treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19 'Deferred Tax'.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Any exchange differences are dealt with through the profit and loss account.

BRE GLOBAL LIMITED**PROFIT AND LOSS ACCOUNT**

For the year 1 April 2008 – 31 March 2009

	Note	Before Gift Aid 2009 £'000	Gift Aid 2009 £'000	Total 2009 £'000	Total 2008 £'000
Turnover	1	18,427	-	18,427	16,453
Operating expenses		(17,066)	-	(17,066)	(14,996)
Other operating income	3	300	-	300	-
		<hr/>	<hr/>	<hr/>	<hr/>
Operating profit		1,661	-	1,661	1,457
Income from fixed asset investment		55	-	55	-
Payment of Gift Aid to BRE Trust		-	(1,512)	(1,512)	(1,539)
		<hr/>	<hr/>	<hr/>	<hr/>
Operating profit/(loss) before taxation		1,716	(1,512)	204	(82)
Tax on profit/(loss) from ordinary activities	4	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Profit/(loss) for the financial year		1,716	(1,512)	204	(82)
		<hr/>	<hr/>	<hr/>	<hr/>

All transactions arise from continuing operations

There were no recognised gains or losses in the current or preceding year other than those passing through the profit and loss account.

The accompanying accounting policies and notes form an integral part of these financial statements

BRE GLOBAL LIMITEDBALANCE SHEET
As at 31 March 2009

	Note	2009 £'000	2008 £'000
Fixed assets			
Investment	5	6	6
		<hr/>	<hr/>
		6	6
Current assets			
Debtors	6	6,604	4,410
Creditors: amounts falling due within one year	7	(6,318)	(4,258)
		<hr/>	<hr/>
Net current assets		286	152
		<hr/>	<hr/>
Total assets less current liabilities		292	158
Provisions for liabilities	8	-	(70)
		<hr/>	<hr/>
Net assets		292	88
		<hr/>	<hr/>
Capital and reserves			
Profit and loss account	9	292	88
		<hr/>	<hr/>
Shareholder's funds		292	88
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 5th August 2009.

Russell Heusch
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year 1 April 2008 – 31 March 2009

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit before taxation are attributable to the company's principal activity. Turnover and operating expenses exclude recharges of £61k (2008: £76k) where the company has undertaken to negotiate and contract with third parties on behalf of clients and to subsequently recharge the clients at cost.

The auditors' remuneration is paid by other group companies.

2 DIRECTORS' REMUNERATION AND STAFF COSTS

The remuneration of all the directors who were the only employees of the company was £nil (2008: £nil). Staff costs relating to the operations of BRE Global are borne by a fellow subsidiary of BRE Group. A management recharge which includes these costs, is included in operating expenses.

3. OTHER OPERATING INCOME

	2009 £'000	2008 £'000
Profit on sale of training programme	<u>300</u>	<u>-</u>

4 TAXATION

It is company policy that taxable profits made by BRE Global Limited are donated to BRE Trust under "Gift Aid". The Directors consider this arrangement will remain in place for the foreseeable future. As a result of this payment there is no liability to corporation tax.

The current tax charge for the period is lower (2008: lower) than the standard rate of corporation tax in the UK (28%, 2008: 30%). The differences are explained below.

	2009 £'000	2008 £'000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	204	(82)
Current tax at 28% (2008: 30%)	<u>57</u>	<u>(25)</u>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	2	4
Other timing differences	(12)	21
R&D relief claim	(47)	-
Total current tax charge	<u>-</u>	<u>-</u>

BRE GLOBAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS**For the year 1 April 2008 – 31 March 2009

5. FIXED ASSET INVESTMENTS

	Interests in associated undertakings £'000
Cost	
At the beginning and end of the year	6

Net Book Value	
At 31 March 2009	6

At 1 April 2008	6

The investment above represents 50% of the shares in LPCB Nederland BV, a company registered in the Netherlands on 1 January 2007.

6 DEBTORS

	2009 £'000	2008 £'000
Trade debtors	3,975	3,203
Other debtors	-	4
Amounts recoverable on contracts external to group	890	923
Amounts recoverable on contracts within group	126	89
Prepayments	28	-
Amounts due from group undertakings	1,585	191
	-----	-----
	6,604	4,410
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BRE GLOBAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS**For the year 1 April 2008 – 31 March 2009

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Trade Creditors	475	313
Amounts due to group undertakings	1,512	1,539
Payments in advance external to group	4,280	2,279
Payments in advance within group	9	5
Accruals	42	122
	<hr/>	<hr/>
	6,318	4,258
	<hr/>	<hr/>

8 PROVISIONS FOR LIABILITIES

Future amounts payable relating to litigation costs:	£'000
Balance brought forward	70
Utilised in the period	(29)
Transferred to the profit and loss account	(41)
	<hr/>
Balance carried forward	-
	<hr/>

This provision was made to cover litigation action known at 31 March. This action has now been concluded.

9 MOVEMENT ON CAPITAL AND RESERVES

	Profit and Loss Account £'000
At 1 April 2008	88
Profit for the year	204
	<hr/>
At 31 March 2009	292
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BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year 1 April 2008 – 31 March 2009

10 CAPITAL COMMITMENTS

At 31 March 2009 the company had no commitments for capital expenditure (2008: £nil).

11 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2009 or 31 March 2008.

12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is BRE Trust, a registered charity and incorporated in England and Wales. It is situated at the address shown at the front of the financial statements. The consolidated financial statements of BRE Trust can be obtained from the address at the front of the financial statements.

The largest and smallest group of undertakings for which group accounts have been prepared is that headed by BRE Trust.