

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

FINANCIAL STATEMENTS
FOR THE YEAR

1 APRIL 2009 - 31 MARCH 2010

Company Registration Number: 3548352

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS

For the year 1 April 2009 – 31 March 2010

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 2009 – 31 March 2010

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BRE GLOBAL LIMITED

REPORT OF THE DIRECTORS

For the year 1 April 2009 – 31 March 2010

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 and a charity.

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

Whilst the continuing economic downturn has made the trading environment very difficult for ourselves, our customers and stakeholders, the strong focus on service, sales and delivery has enabled us to increase turnover by £901k to £19,328k with a good performance across the majority of the business groups. Operating profit, excluding the sale of the training programme last year, increased strongly from £1,361k last year to £1,521k this year.

Government initiatives to reduce costs of regulatory compliance has helped to increase the market for assessment services, but in turn this is leading to competitive pressure on quality. In the coming year we will maintain and improve our standards through closer engagement with customers, specifiers, regulators and insurers in the UK, Europe, China and the Middle East as ultimately good quality standards provide the best value for all stakeholders.

As we expect fewer new buildings to be constructed in the coming year, we will be concentrating on promoting services relevant to the existing building stock including those for refurbishment. Our BREEAM scheme for existing buildings has been well received and we are in the process of making our BREEAM in Use database and tools available to property portfolio owners throughout the world who want to improve the sustainability of their building stock. We start the year with a healthy order book and a healthy portfolio of products and services which will help our customers and their customers prosper in these challenging times."

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 (2009 £:nil).

Directors

The details of the directors are set out below:

Chairman and Director
Directors

Martin J Wyatt
Carol J Atkinson
Philip J Field (resigned 31st December 2009)
Russell Heusch

BRE GLOBAL LIMITED

REPORT OF THE DIRECTORS

For the year 1 April 2009 – 31 March 2010

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

Company Registration Number: 3548352
22nd July 2010

BRE GLOBAL LIMITED

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

For the year 1 April 2009 – 31 March 2010

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 2006. 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 2010, set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of the company's result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of BRE Global (*continued*)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

A. Mead

3 August 2010

A Mead (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Aquis Court
31 Fishpool Street
St Albans
Hertfordshire
AL3 4RF

BRE GLOBAL LIMITED

PRINCIPAL ACCOUNTING POLICIES

For the year 1 April 2009 - 31 March 2010

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 2009 – 31 March 2010

	Note	Before Gift Aid 2010 £'000	Gift Aid 2010 £'000	Total 2010 £'000	Total 2009 £'000
Turnover	1	19,328	-	19,328	18,427
Operating expenses		(17,807)	-	(17,807)	(17,066)
Other operating income	3	-	-	-	300
Operating profit		1,521	-	1,521	1,661
Income from fixed asset investment		-	-	-	55
Payment of Gift Aid to BRE Trust		-	(1,388)	(1,388)	(1,512)
Operating profit before taxation		1,521	(1,388)	133	204
Tax on profit from ordinary activities	4	-	-	-	-
Profit for the financial year		1,521	(1,388)	133	204

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 2010

	Note	2010 £'000	2009 £'000
Fixed assets			
Investment	5	6	6
		<hr/>	<hr/>
		6	6
Current assets			
Debtors	6	7,616	6,604
Creditors: amounts falling due within one year	7	(7,197)	(6,318)
		<hr/>	<hr/>
Net current assets		419	286
		<hr/>	<hr/>
Total assets less current liabilities		425	292
		<hr/>	<hr/>
Net assets		425	292
		<hr/>	<hr/>
Capital and reserves			
Profit and loss account	8	425	292
		<hr/>	<hr/>
Shareholder's funds		425	292
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 22nd July 2010.



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 2009 – 31 March 2010

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit before taxation are attributable to the company's principal activity in the UK. Turnover and operating expenses exclude recharges of £24k (2009: £61k) 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 (2009: £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

	2010 £'000	2009 £'000
Profit on sale of training programme	-	300

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 (2009: lower) than the standard rate of corporation tax in the UK (28%, 2009: 28%). The differences are explained below.

	2010 £'000	2009 £'000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	133	204
Current tax at 28% (2009: 28%)	37	57
<i>Effects of:</i>		
Expenses not deductible for tax purposes	3	2
Other timing differences	-	(12)
R&D relief claim	(40)	(47)
Total current tax charge	-	-

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year 1 April 2009 – 31 March 2010

5. FIXED ASSET INVESTMENTS

	Investments £'000
Cost	
At the beginning and end of the year	6

Net Book Value	
At 31 March 2010	6

At 1 April 2009	6

The investment above represents 50% of the shares in LPCB Nederland BV, a company registered in the Netherlands on 1 January 2007. The Directors have concluded they do not exercise significant influence over this organisation and therefore it is accounted for as an investment not as an associate.

6 DEBTORS

	2010 £'000	2009 £'000
Trade debtors	3,361	3,975
Amounts recoverable on contracts external to group	534	890
Amounts recoverable on contracts internal to group	172	126
Amounts due from group undertakings	3,502	1,585
Prepayments	47	28
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	7,616	6,604
	-----	-----

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year 1 April 2009 – 31 March 2010

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Payments in advance external to group	5,357	4,280
Payments in advance within group	1	9
Trade Creditors	373	475
Amounts due to group undertakings	1,388	1,512
Accruals	78	42
	<hr/>	<hr/>
	7,197	6,318
	<hr/>	<hr/>

8 MOVEMENT ON CAPITAL AND RESERVES

	Profit and Loss Account £'000
At 1 April 2009	292
Profit for the year	133
	<hr/>
At 31 March 2010	425
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9 CAPITAL COMMITMENTS

At 31 March 2010 the company had no commitments for capital expenditure (2009: £nil).

10 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2010 or 31 March 2009.

11 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.