

COMPANY NUMBER: 2498018



**BRITISH COUNCIL FOR OFFICES
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

**BRITISH COUNCIL FOR OFFICES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

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**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

The directors present their report and audited financial statements for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The company is an organisation providing services and facilities for its members. It is dedicated to promote best practice and a better mutual understanding between businesses engaged in the development, construction, management and occupation of offices and business space, together with their professional advisers.

BUSINESS REVIEW

The deficit for the year ended 31 March 2010 was £14,674 (2009: deficit £103,958) after taxation.

As in previous years, the British Council for Offices (BCO) has held many events for members and their guests. These have included the Annual Conference, President's Luncheon, Annual and Awards Dinners together with a broad range of regional events. Many research and policy documents were also published, some of which were launched nationally through the assistance of the BCO's regional chapter structure.

Each September the BCO publishes its Annual Review highlighting the BCO's full programme of events and publications. The BCO's membership is over 1,300.

The state of the company's affairs is regarded by the directors as satisfactory.

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010**

BOARD OF MANAGEMENT

The following were directors during the year: -

PRESIDENT

Michael Hussey BSc (Hons) MRICS
Almacantar

SENIOR VICE PRESIDENT

Gerald Kaye BSc FRICS
Helical Bar plc

CHIEF EXECUTIVE

Richard Kauntze BSc (Hons)
British Council for Offices

MEMBERS

Kevin Arnold BSc (Hons) MRICS
Gardiner & Theobald LLP
Jon Ashcroft MRICS BSc (Hons)
Aviva Investors
Alan Bainbridge (since 14 July 2009)
BBC North
Richard Beastall BA (Hons) BArch (Hons) RIBA
tp bennett LLP
William Black BSc FRICS
Capital & Counties Ltd
Robin Brodie-Cooper BSc MRICS
Gleeds
Ardell Bunt BSc MRICS
Barclays Capital PLC
Gordon Carey DipArch RIBA
Carey Jones Ltd
Prof Derek Clements-Croome PhD CEng CPhys
FICE FCIBSE FRSA FIOA
University of Reading
Ian Cowley CEng BSc (Hons) MBA MCIBSE
MEI FConSE (until 1 October 2009)
Hoare Lea
John Forrester BSc(Hons) FRICS
DTZ
Ron German
Stanhope plc
Tony Giddings BSc FCIOB
Argent Group PLC
Christopher Gilmour DipArch RIBA
BAM Construct UK Ltd
Peter Grant (since 1 May 2009)
Grant thorp Ltd
Paul Harrington
PricewaterhouseCoopers Services
Chris Houchin
Bovis Lend Lease Limited
Francis Ives FRICS Dip Proj Man
Cyril Sweett Group plc

IMMEDIATE PAST PRESIDENT

Nicholas Ridley BSc FRICS
NCREal Estate Consulting Limited

JUNIOR VICE PRESIDENT

Gary Wingrove
BT Group plc

HONORARY TREASURER

James Wates FCIOB FRSA
Wates Group Ltd

Katrina Kostic Samen BIntArch (Hons) NCIDQ
KKS Strategy LLP
Mark Kowal BA (Hons) DipArch RIBA MAPM
Sheppard Robson
Stephen McIntyre (since 14 July 2009)
FaulknerBrowns Architects
Ann Minogue MA
Ashurst LLP
Mat Oakley
Savills Commercial Ltd
Ralph Pearson BSc MRICS
Cluttons LLP
Martin Pease BSc BARCH RIBA
Atkins Global Ltd
Neil Pennell Btech (Hons) CEng MCIBSE
Land Securities Group PLC
Carl Potter BSc EstMan MRICS (until 1 May 2009)
GVA Grimley Limited

Peter Wynne Rees BSc BArch BTP RIBA FRTPI
FRSA
City of London
Andrew Reynolds BSc MRICS
Hines UK
Simon Ricketts LLB (Hons) FRSA
SJ Berwin LLP
Tim Robinson BSc (Hons) MRICS (since 18 August 2009)
Knight Frank LLP
Pernille Stafford HND DipMCSD
Scott Brownrigg Ltd
Cameron Stott BSc MRICS
Jones Lang LaSalle
Neil Thompson (since 14 July 2009)
Great Portland Estates plc
Simon Ward MRICS (until 15 July 2009)
Deutsche Bank AG
Nichola West LLB
Denton Wilde Sapte LLP

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010**

MANAGEMENT EXECUTIVE

In accordance with Article 60, the business of the Council is managed by the Executive which comprises: -

PRESIDENT

Michael Hussey BSc (Hons) MRICS
Almacantar

SENIOR VICE PRESIDENT

Gerald Kaye BSc FRICS
Helical Bar plc

CHIEF EXECUTIVE

Richard Kauntze BSc (Hons)
British Council for Offices

IMMEDIATE PAST PRESIDENT

Nicholas Ridley BSc FRICS
NCREal Estate Consulting Limited

JUNIOR VICE PRESIDENT

Gary Wingrove
BT Group plc

HONORARY TREASURER

James Wates FCIOB, FRSA
Wates Group Ltd

MEMBERS

Robin Brodie-Cooper BSc MRICS (*since 23 September 2009*)

Gleeds

Ian Cowley CEng BSc(Hons) MBA MCIBSE MEI FConSE
(*until 1 October 2009*)

Hoare Lea

Paul Edwards

Hammerson PLC

Peter Grant (*since 1 May 2009*)

grant thorp Ltd

Francis Ives FRICS Dip Proj Man

Cyril Sweett Group plc

Stephen McIntyre

FaulknerBrowns Architects

Mat Oakley

Savills Commercial Ltd

Martin Pease BSc BARCH RIBA

Atkins Global Ltd

Neil Pennell BTech (Hons) CEng MCIBSE

Land Securities Group PLC

Carl Potter BSc EstMan MRICS (*until 1 May 2009*)

GVA Grimley Limited

Cameron Stott BSc MRICS

Jones Lang LaSalle

Paul Warner Dip Arch RIBA

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The chairman of the Technical Affairs Committee is an *ex officio* permanent member of the Executive. The remaining appointments for committee chairmen are made on a rotational basis.

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010**

AUDITORS

Horwath Clark Whitehill LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By Order of the Board on 10th June 2010

Richard Kauntze
Secretary and Chief Executive

BRITISH COUNCIL FOR OFFICES

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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. Finally, they are also responsible for the maintenance and integrity of British Council For Office's website. The work carried out by the auditors does not involve the consideration of these matters and, accordingly the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the accounts and other information included in the annual reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH COUNCIL FOR OFFICES

We have audited the financial statements of British Council for Offices for the year ended 31 March 2010 which comprise the Income and Expenditure Account, Balance Sheet and the related notes numbered 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

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 its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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 AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BRITISH COUNCIL FOR OFFICES

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, 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 and the directors' report in accordance with the small companies regime.

Patrick O'Neill
Senior Statutory Auditor

For and on behalf of
Horwath Clark Whitehill LLP
Statutory Auditor
Reading

Date: 10th June 2010

**BRITISH COUNCIL FOR OFFICES
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010	2009
		£	£
OPERATING INCOME	3		
Subscriptions		517,230	614,115
Events		1,347,381	1,596,610
Interest receivable		6,238	74,532
Handbook and publications		<u>98,268</u>	<u>29,965</u>
		1,969,117	2,315,222
OPERATING EXPENDITURE			
Printing and stationery		16,110	13,427
Handbook and publications		32,456	18,073
Direct events expenditure		1,073,595	1,269,758
Other operating expenditure		298,675	358,911
Wages and salaries		305,229	342,026
Staff pension		21,689	23,199
Research		120,664	300,395
Rent and rates		<u>115,363</u>	<u>93,459</u>
		(1,983,781)	(2,419,248)
(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	4	(14,664)	(104,026)
Taxation	5	<u>(10)</u>	<u>68</u>
(DEFICIT) FOR THE YEAR		(14,674)	(103,958)
Accumulated Fund brought forward		<u>1,217,216</u>	<u>1,321,174</u>
ACCUMULATED FUND CARRIED FORWARD		<u>1,202,542</u>	<u>1,217,216</u>

The notes on pages 10 to 13 form part of these financial statements

BRITISH COUNCIL FOR OFFICES
COMPANY NUMBER: 2498018
BALANCE SHEET
31 MARCH 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	6	<u>131,859</u>	<u>157,049</u>
CURRENT ASSETS			
Stocks	7	24,127	9,840
Debtors	8	415,073	541,756
Investments	9	1,053,052	1,246,945
Cash at bank		<u>745,441</u>	<u>453,890</u>
		2,237,693	2,252,431
CREDITORS: Amounts falling due within one year	10	<u>(1,167,010)</u>	<u>(1,192,264)</u>
NET CURRENT ASSETS		<u>1,070,683</u>	<u>1,060,167</u>
NET ASSETS		<u>1,202,542</u>	<u>1,217,216</u>
ACCUMULATED FUND	11	<u>1,202,542</u>	<u>1,217,216</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Authorised and approved by the Board on 10th June 2010
and signed on their behalf by:-

..... Michael Hussey

..... James Wates

The notes on pages 10 to 13 form part of these financial statements

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and on the going concern basis.

b) Value added tax

Taxable income and expenditure are stated net of value added tax.

c) Depreciation

Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost or valuation less estimated residual value over its expected useful life as follows:

Computer and office equipment - 25% straight line
Leasehold improvements - Straight line method over the lease period

d) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

e) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are transferred to the income and expenditure account. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.

f) Pension costs

The Council makes contributions to the employees' personal defined contribution pension plans. These are charged to the income and expenditure account when due.

g) Research costs

Research costs are charged to the income and expenditure account as they are incurred and as the research is undertaken.

h) Operating leases

Rentals under operating leases are charged to the Income and Expenditure account on a straight line basis over the term of the lease.

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES (continued)

h) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception: -

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

2. SHARE CAPITAL

The company is limited by guarantee and therefore does not have any issued share capital. The liability of each member is limited to £1 in the event of winding up.

3. OPERATING INCOME

Operating income is stated net of Value Added Tax and originates mainly in the UK.

4. (DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION

This is stated after charging:

	2010	2009
	£	£
Auditors' remuneration	9,025	<i>8,675</i>
Directors emoluments	125,635	<i>124,556</i>
Depreciation	68,559	<i>56,080</i>

Retirement benefits are accruing under a money purchase scheme to 1 director (*2009: 1*).

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

5. TAXATION

	2010	2009
	£	£
UK corporation tax charge for the year	-	-
Overprovision in prior year	<u>10</u>	<u>(68)</u>
Tax for the year	<u>10</u>	<u>(68)</u>

HM Revenue and Customs regards the Council's activities for its members as not subject to corporation tax. Tax is chargeable on investment and non mutual income.

The tax provision for 2010 is calculated at 21% of the investment income less an allowance for a deficit on non mutual income. A non mutual trading deficit of £130,722 which can be utilised against further non mutual trading surpluses is carried forward at 31 March 2010 (2009 - £127,907). No deferred tax asset has been recognised in respect of tax losses available for offset against future taxable profits as they are not expected to be utilised in the foreseeable future.

6. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Office Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
1 April 2009	142,304	36,367	125,236	303,907
Additions	<u>-</u>	<u>669</u>	<u>42,700</u>	<u>43,369</u>
31 March 2010	<u>142,304</u>	<u>37,036</u>	<u>167,936</u>	<u>347,276</u>
Depreciation				
1 April 2009	54,679	15,339	76,840	146,858
Charge for the year	<u>31,307</u>	<u>9,116</u>	<u>28,136</u>	<u>68,559</u>
31 March 2010	<u>85,986</u>	<u>24,455</u>	<u>104,976</u>	<u>215,417</u>
Net book value				
31 March 2010	<u>56,318</u>	<u>12,581</u>	<u>62,960</u>	<u>131,859</u>
<i>31 March 2009</i>	<u>87,625</u>	<u>21,028</u>	<u>48,396</u>	<u>157,049</u>

7. STOCKS

	2010	2009
	£	£
Stock of books held at the year end	<u>24,127</u>	<u>9,840</u>

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

8. DEBTORS

	2010	2009
	£	£
Trade debtors	110,040	171,439
Prepaid expenses	305,033	370,317
	<u>415,073</u>	<u>541,756</u>

9. INVESTMENTS

Investments represent Money Market and Bank deposits.

10. CREDITORS: Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	89,687	89,670
Corporation tax	-	-
Other taxes and social security	111,586	91,136
Other creditors and accruals	76,445	136,433
Subscriptions and fees received in advance	889,292	875,025
	<u>1,167,010</u>	<u>1,192,264</u>

11. ACCUMULATED FUND

The policy of the British Council for Offices is to accumulate a reserve which would be sufficient, should the need ever arise, for the company to settle its affairs in an orderly fashion prior to a solvent liquidation and in addition to enable the Council to continue to function during periods of lower income due to economic climate or other difficulties. Further as the Council grows, there are demands for more activities and commitments. Whilst all activities should be self-financing, prior commitments often have to be met and strong finances are needed for the Council to be able to take such risks.

12. COMMITMENTS

No capital commitments existed at either the 31 March 2010 or the 31 March 2009.

At 31 March 2010 the annual commitments under non-cancellable operating leases were as follows:

	Land and Buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Operating leases which expire:				
within one year	-	-	-	4,488
within two to five years	<u>73,865</u>	<u>73,865</u>	<u>2,341</u>	<u>-</u>