

COMPANY NUMBER: 02498018



**BRITISH COUNCIL FOR OFFICES
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

**BRITISH COUNCIL FOR OFFICES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

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**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report and audited financial statements for the year ended 31 March 2012.

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 2012 was £11,513 (2011: surplus £19,473) 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 1,450.

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 2012**

BOARD OF MANAGEMENT

The following were directors during the year: -

PRESIDENT

Gary Wingrove

BT Group Plc

IMMEDIATE PAST PRESIDENT

Gerald Kaye BSc FRICS

Helical Bar plc

SENIOR VICE PRESIDENT

James Wates CBE, FCIQB, FRSA

Wates Group Ltd

JUNIOR VICE PRESIDENT

Neil Thompson MRICS

Great Portland Estates

CHIEF EXECUTIVE

Richard Kauntze BSc (Hons)

British Council for Offices

HONORARY TREASURER

Robin Brodie-Cooper BSc MRICS

Gleeds

MEMBERS

Jon Ashcroft MRICS BSc (Hons)

Aviva Investors

Francis Ives FRICS Dip Proj Man

Clare Ashmore CIM

Parkeray Ltd (since 6 July 2011)

Martin Jepson FRICS

Brookfield (since 6 July 2011)

Alan Bainbridge

BBC North

Katrina Kostic Samen BIntArch (Hons) NCIDQ

KKS Strategy LLP

Richard Beastall BA (Hons) BArch (Hons) RIBA

tp bennett LLP

Mark Kowal BA (Hons) DipArch RIBA MAPM

Sheppard Robson

William Black BSc FRICS

Capital & Counties Properties PLC

Benjamin Lesser MBA DipProjMan (RICS) RIBA DipArch
MA (Hons)

Derwent London (since 6 July 2011)

Ardell Bunt BSc MRICS

Barclays Capital PLC

Stephen McIntyre BA DIPArch RIBA

FaulknerBrowns

Gordon Carey DipArch RIBA
Careyjones Limited (until 6 July 2011)

Mat Oakley
Savills

James Clark BSc MRICS
Core Five

Simon Peacock BSc (Hons) MRICS
Jones Lang LaSalle

Prof Derek Clements-Croome PhD CEng CPhys FICE
FCIBSE FRSA FIOA
University of Reading (until 6 July 2011)

Ralph Pearson BSc MRICS
Cluttons LLP

Paul Flatt BEng (Hons) CEng FCIBSE FIET
Hurleypalmerflatt (since 6 July 2011)

Neil Pennell Btech (Hons) CEng MCIBSE
Land Securities Group PLC

John Forrester BSc(Hons) FRICS
DTZ (until 6 July 2011)

Simon Rawlinson
EC Harris (since 6 July 2011)

Helen Garthwaite MSc ACI Arb
Taylor Wessing LLP (since 6 July 2011)

Peter Wynne Rees BSc BArch BTP RIBA FRTPI FRSA
City of London

Ron German
Stanhope plc

Andrew Reynolds BSc MRICS
Hines UK (until 6 July 2011)

Tony Giddings BSc FCIOB
Argent Group PLC

Simon Ricketts LLB (Hons), FRSA
SJ Berwin LLP

Christopher Gilmour DipArch RIBA
BAM Construct UK Ltd (until 6 July 2011)

Nicholas Ridley BSc FRICS
NCReal Estate Consulting Limited (until 6 July 2011)

Pamela Grant MRICS BSc (Hons)
Miller Developments

Tim Robinson BSc (Hons) MRICS
Knight Frank LLP

Peter Grant MCSD
Grant thorp Ltd

Pernille Stafford HND DipMCSD
TP Bennett (until 6 July 2011)

Paul Harrington
PricewaterhouseCoopers Services

Nichola West LLB
Denton Wilde Sapte LLP (until 6 July 2011)

Chris Houchin
Miller Construction

David Williams
Davis Langdon LLP

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012**

MANAGEMENT EXECUTIVE

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

PRESIDENT

Gary Wingrove
BT Group Plc

IMMEDIATE PAST PRESIDENT

Gerald Kaye BSc FRICS
Helical Bar plc

SENIOR VICE PRESIDENT

James Wates CBE, FCIOB, FRSA
Wates Group Ltd

JUNIOR VICE PRESIDENT

Neil Thompson MRICS
Great Portland Estates

CHIEF EXECUTIVE

Richard Kauntze BSc (Hons)
British Council for Offices

HONORARY TREASURER

Robin Brodie-Cooper BSc MRICS
Gleeds

MEMBERS

Paul Edwards
Hammerson PLC

Simon Peacock BSc (Hons) MRICS
Jones Lang LaSalle

Pamela Grant (since December 2010)
Miller Developments

Neil Pennell BTech (Hons) CEng MCIBSE
Land Securities Group PLC

Peter Grant
Grant thorp Ltd

Simon Rawlinson
EC Harris

Francis Ives FRICS Dip Proj Man

Paul Warner Dip Arch RIBA
3DReid

Stephen McIntyre
FaulknerBrowns Architects

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 2012**

PROVISION OF INFORMATION TO AUDITORS

So far as the directors are aware at the time the report is approved:-

- there is no relevant audit information of which the company's auditors are unaware and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information (s 234ZA(2)).

AUDITORS

Crowe 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.

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime provided by Section 415A of the Companies Act 2006.

By Order of the Board 14 June 2012

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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

We have audited the financial statements of British Council for Offices for the year ended 31 March 2012 which comprise the Income and Expenditure Account, Balance Sheet and the related notes set out pages 10 to 13.

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.

We read all the information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 2012 and of its result 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 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 AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BRITISH COUNCIL FOR OFFICE

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 and take advantage of the small companies exemption in preparing the directors report.

Patrick O'Neill
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Reading

14 June 2012

**BRITISH COUNCIL FOR OFFICES
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012	2011
		£	£
OPERATING INCOME	3		
Subscriptions		504,352	511,640
Events		1,380,833	1,390,840
Interest receivable		19,916	15,803
Handbook and Publications		80,006	39,752
		<u>1,985,107</u>	<u>1,958,035</u>
OPERATING EXPENDITURE			
Printing and stationery		9,059	10,075
Handbook		-	1,135
Direct events expenditure		1,094,586	1,084,632
Other operating expenditure		299,212	314,439
Wages and salaries		289,035	272,496
Staff pension		47,943	20,045
Research		167,302	134,790
Rent and rates		89,483	107,899
		<u>(1,996,620)</u>	<u>(1,945,511)</u>
(DEFICIT)/SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAXATION	4	(11,513)	12,524
Taxation	5	-	6,949
(DEFICIT)/SURPLUS FOR THE YEAR		(11,513)	19,473
Accumulated Fund brought forward		<u>1,222,015</u>	<u>1,202,542</u>
ACCUMULATED FUND CARRIED FORWARD		<u>1,210,502</u>	<u>1,222,015</u>

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

BRITISH COUNCIL FOR OFFICES
COMPANY NUMBER: 02498018
BALANCE SHEET
31 MARCH 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6	<u>36,806</u>	<u>80,216</u>
CURRENT ASSETS			
Stocks	7	31,448	16,676
Debtors	8	554,315	550,178
Investments	9	-	800,000
Cash at bank		<u>1,844,865</u>	<u>739,550</u>
		2,430,628	2,106,404
CREDITORS: Amounts falling due within one year	10	<u>(1,256,932)</u>	<u>(964,605)</u>
NET CURRENT ASSETS		<u>1,173,696</u>	<u>1,141,799</u>
NET ASSETS		<u>1,210,502</u>	<u>1,222,015</u>
ACCUMULATED FUND	11	<u>1,210,502</u>	<u>1,222,015</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).

Approved and authorised for issue by the Board on
and signed on their behalf by:-

..... Gary Wingrove

..... Robin Brodie-Cooper

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 2012

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).

The company has cash resources and has no requirement for external funding. The directors therefore have an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

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.

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.

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

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)/SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAXATION

This is stated after charging:

	2012 £	2011 £
Auditors' remuneration	9,750	9,750
Directors emoluments	128,554	108,917
Depreciation	<u>55,625</u>	<u>65,625</u>

Retirement benefits are accruing under a money purchase scheme to 1 director (2010: 1).

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

5. TAXATION

	2012	2011
	£	£
UK corporation tax charge for the year	-	-
Over/(Under)provision in prior year	-	6,949
	<u>-</u>	<u>6,949</u>
Tax credit/(charge) for the year	<u>-</u>	<u>6,949</u>

The income from the Council's activities for its members is not considered to be subject to corporation tax on the grounds that it is mutual trading. Corporation tax however, is chargeable on investment and non mutual income.

The tax provision for 2012 is calculated at 20 % of the investment income less an allowance for a deficit on non mutual income. A non mutual trading deficit of £169,053 which can be utilised against further non mutual trading surpluses is carried forward at 31 March 2012 (2011 - £156,271). 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 2011	142,304	37,036	181,918	361,258
Additions	-	-	12,215	12,215
	<u>142,304</u>	<u>37,036</u>	<u>194,133</u>	<u>373,473</u>
31 March 2012	<u>142,304</u>	<u>37,036</u>	<u>194,133</u>	<u>373,473</u>
Depreciation				
1 April 2011	117,293	33,499	130,250	281,042
Charge for the year	25,011	3,370	27,244	55,625
	<u>142,304</u>	<u>36,869</u>	<u>157,494</u>	<u>336,667</u>
31 March 2012	<u>142,304</u>	<u>36,869</u>	<u>157,494</u>	<u>336,667</u>
Net book value				
31 March 2012	<u>-</u>	<u>167</u>	<u>36,639</u>	<u>36,806</u>
<i>31 March 2011</i>	<u>25,011</u>	<u>3,537</u>	<u>51,668</u>	<u>80,216</u>

7. STOCKS

	2012	2011
	£	£
Stock of publications held at the year end	<u>31,448</u>	<u>16,676</u>

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

8. DEBTORS

	2012	2011
	£	£
Trade debtors	183,172	157,785
Prepaid expenses	<u>371,143</u>	<u>392,393</u>
	<u>554,315</u>	<u>550,178</u>

9. INVESTMENTS

Investments in the prior year represent a fixed rate bond. The investment matured shortly before the year end and was transferred into a special interest bearing account.

10. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	93,164	100,547
Corporation tax	-	-
Other taxes and social security	133,078	63,996
Other creditors and accruals	93,062	43,771
Subscriptions and fees received in advance	<u>937,628</u>	<u>756,291</u>
	<u>1,256,932</u>	<u>964,605</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

There were no capital commitments at the year end.

At 31 March 2012 the annual commitments under non-cancellable operating leases were as follows:

	Land and Buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire:				
within one year		61,554		2,341
within two to five years	<u>48,086</u>	-	<u>1,493</u>	-