

COMPANY NUMBER: 02498018



**BRITISH COUNCIL FOR OFFICES
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

**BRITISH COUNCIL FOR OFFICES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

CONTENTS	Page
Directors' Report	1 - 4
Statement of Directors' Responsibilities	5
Auditors' Report	6 - 7
Income and Expenditure Account	8
Balance Sheet	9
Notes to the Financial Statements	10 - 13

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

The directors present their report and audited financial statements for the year ended 31 March 2013.

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 surplus for the year ended 31 March 2013 was £100,097 (2012: deficit £11,513) 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 1,600.

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

**BRITISH COUNCIL FOR OFFICES DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

BOARD OF MANAGEMENT

The following were directors during the year:

PRESIDENT	IMMEDIATE PAST PRESIDENT
James Wates FCIQB, FRSA <i>Wates Group Ltd</i>	Gary Wingrove <i>BT Group Plc</i>
SENIOR VICE PRESIDENT	JUNIOR VICE PRESIDENT
Neil Thompson MRICS <i>Great Portland Estates</i>	Colette O'Shea <i>Land Securities</i> (since 9 July 2012)
CHIEF EXECUTIVE	HONORARY TREASURER
Richard Kauntze BSc (Hons) <i>British Council for Offices</i>	Robin-Brodie Cooper BSc MRICS <i>Gleeds</i>
MEMBERS	
Jon Ashcroft MRICS BSc (Hons) <i>Aviva Investors</i>	Francis Ives FRICS Dip Proj Man
Clare Ashmore CIM <i>Parkeray Ltd</i>	Martin Jepson FRICS <i>Brookfield Office Properties</i>
Alan Bainbridge <i>BBC North</i>	Lee Jones BSc (Hons) MRICS <i>Davis Langdon an AECOM Company</i> (since 31 August 2012)
Jill Bancroft <i>Overbury</i> (since 20 February 2013)	Gerald Kaye BSc FRICS <i>Helical Bar plc</i> (until 9 July 2012)
Dan Bayley MA MSc MRICS <i>BNP Paribas</i> (since 9 July 2012)	Katrina Kostic Samen BlntArch (Hons) NCIDQ <i>KKS Strategy LLP</i>
Richard Beastall BA (Hons) BArch (Hons) RIBA <i>tp Bennett LLP</i>	Mark Kowal BA (Hons) DipArch RIBA MAPM <i>Sheppard Robson</i>
William Black BSc FRICS <i>Capital & Countries Properties PLC</i>	Benjamin Lesser MBA DipProjMan (RICS) RIBA DipArch MA (Hons) Derwent London
Ardell Blunt BSc MRICS <i>Barclays Capital PLC</i>	Stephen McIntyre BA DIPArch RIBA <i>Faulkner Browns</i> (until 20 February 2013)
James Clark BSc MRICS Core Five	Mat Oakley <i>Savills</i>
Paul Flatt BEng (Hons) CEng FCIBSE FIET <i>hurleypalmerflatt</i>	Simon Peacock BSc (Hons) MRICS <i>Jones Lang LaSalle</i>
Matthew Flood BSc (Hons) MSc MRICS <i>DTZ</i>	Ralph Pearson BSc MRICS <i>Cluttons LLP</i>
Helen Garthwaite MSc ACI Arb <i>Taylor Wessing LLP</i>	Neil Pennell Btech (Hons) CEng MCIBSE <i>Land Securities Group PLC</i>
Ron German <i>Stanhope plc</i>	Simon Rawlinson MRICS <i>E C Harris</i>
Tony Giddings BSc FCIQB <i>Argent Group PLC</i>	Peter Wynne Rees BSc BArch BTP RIBA FRTPI FRSA <i>City of London</i>
Pamela Grant MRICS BSc (Hons) <i>Miller Developments</i>	Andrew Reynolds BSc MRICS <i>WR Berkley</i> (since 9 July 2012)
Peter Grant MCSD <i>Grant Thorp Ltd</i> (until 9 July 2012)	Simon Ricketts LLB (Hons), FRSA <i>S J Berwin LLP</i>
Paul Harrington <i>PricewaterhouseCoopers Services</i>	Tim Robinson BSc (Hons) MRCIS <i>Knight Frank LLP</i>
Chris Houchin <i>Miller Construction</i>	David Williams <i>Muse</i> (until 9 July 2012)

**BRITISH COUNCIL FOR OFFICES
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

MANAGEMENT EXECUTIVE

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

PRESIDENT	IMMEDIATE PAST PRESIDENT
James Wates FCIQB, FRSA <i>Wates Group Ltd</i>	Gary Wingrove <i>BT Group Plc</i>
SENIOR VICE PRESIDENT	JUNIOR VICE PRESIDENT
Neil Thompson MRICS <i>Great Portland Estates</i>	Colette O'Shea <i>Land Securities</i>
CHIEF EXECUTIVE	HONORARY TREASURER
Richard Kauntze BSc (Hons) <i>British Council for Offices</i>	Robin-Brodie Cooper BSc MRICS <i>Gleeds</i>
MEMBERS	
Jill Bancroft <i>Overbury (since 20 February 2013)</i>	Stephen McIntyre BA DIPArch RIBA <i>FaulknerBrowns (until 20 February 2013)</i>
Paul Edwards <i>Hammerson PLC (until 14 November 2012)</i>	Simon Peacock BSc (Hons) MRICS <i>Jones Lang LaSalle</i>
Richard Francis RIBA <i>Gardiner & Theobald (since 14 November 2012)</i>	Neil Pennell Btech (Hons) CEng MCIBSE <i>Land Securities Group PLC</i>
Pamela Grant MRICS BSc (Hons) <i>Miller Developments</i>	Simon Rawlinson MRICS <i>E C Harris</i>
Peter Grant MCSD <i>Grant Thorp Ltd (until 9 July 2012)</i>	Chris Richmond MBA MRICS <i>PricewaterhouseCoopers (since 14 November 2012)</i>
Lee Jones BSc (Hons) MRICS <i>Davis Langdon an AECOM Company (since 31 August 2012)</i>	Martin Sagar <i>Sheppard Robson (since 14 November 2012)</i>
Francis Ives FRICS Dip Proj Man	Paul Warner Dip Arch RIBA <i>3D Reid (until 14 November 2012)</i>

**BRITISH COUNCIL FOR OFFICES
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

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

Richard Kauntze
Secretary and Chief Executive

13 June 2013

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 2013 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.

In addition, we read all the financial and non-financial 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 2013 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

13 June 2013

**BRITISH COUNCIL FOR OFFICES
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	2013		2012
		£	£	£
OPERATING INCOME	3			
Subscriptions		541,238		504,352
Events		1,646,563		1,380,833
Interest receivable		23,452		19,916
Handbook and Publications		<u>37,043</u>		<u>80,006</u>
			2,248,296	1,985,107
OPERATING EXPENDITURE				
Printing and stationery		7,713		9,059
Direct events expenditure		1,249,341		1,094,586
Other operating expenditure		293,580		299,212
Wages and salaries		313,163		289,035
Staff pension		48,229		47,943
Research		154,963		167,302
Rent and rates		<u>81,210</u>		<u>89,483</u>
			(2,148,199)	(1,996,620)
SURPLUS/ (DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	4		100,097	(11,513)
Taxation	5		-	-
SURPLUS/ (DEFICIT) FOR THE YEAR			100,097	(11,513)
Accumulated Fund brought forward			<u>1,210,502</u>	<u>1,222,015</u>
ACCUMULATED FUND CARRIED FORWARD			<u>1,310,599</u>	<u>1,210,502</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 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	6	<u>44,177</u>	<u>36,806</u>
CURRENT ASSETS			
Stocks	7	5,592	31,448
Debtors	8	605,227	554,315
Investments	9	1,000,000	-
Cash at bank		<u>1,107,934</u>	<u>1,844,865</u>
		2,718,753	2,430,628
CREDITORS: Amounts falling due within one year	10	<u>(1,452,331)</u>	<u>(1,256,932)</u>
NET CURRENT ASSETS		<u>1,266,422</u>	<u>1,173,696</u>
NET ASSETS		<u>1,310,599</u>	<u>1,210,502</u>
ACCUMULATED FUND	11	<u>1,310,599</u>	<u>1,210,502</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 13 June 2013
and signed on their behalf by:-

..... James Wates

..... 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 2013

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 2013

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. SURPLUS/(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION

This is stated after charging:

	2013	2012
	£	£
Auditors' remuneration	9,750	9,750
Directors emoluments	128,768	128,554
Depreciation	38,729	55,625

Retirement benefits are accruing under a money purchase scheme to 1 director (2012: 1).

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013

5. TAXATION

	2013	2012
	£	£
UK corporation tax charge for the year	-	-
Over/(Under)provision in prior year	-	-
	<hr/>	<hr/>
Tax credit/(charge) for the year	-	-
	<hr/>	<hr/>

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.

No tax provision is required, as the non mutual trading deficit for the year exceeds the investment income received during the year. A non mutual trading deficit of £183,702 which can be utilised against further non mutual trading surpluses is carried forward at 31 March 2013 (2012 - £169,053). 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 2012	142,304	37,036	194,133	373,473
Additions	-	-	46,100	46,100
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2013	142,304	37,036	240,233	419,573
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
1 April 2012	142,304	36,869	157,494	336,667
Charge for the year	-	167	38,562	38,729
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2013	142,304	37,036	196,056	375,396
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
31 March 2013	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	44,177	44,177
	<hr/>	<hr/>	<hr/>	<hr/>
<i>31 March 2012</i>	<hr/>	<hr/>	<hr/>	<hr/>
	-	167	36,639	36,806
	<hr/>	<hr/>	<hr/>	<hr/>

7. STOCKS

	2013	2012
	£	£
Stock of publications held at the year end	5,592	31,448
	<hr/>	<hr/>

BRITISH COUNCIL FOR OFFICES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013

8. DEBTORS

	2013 £	2012 £
Trade debtors	183,733	183,172
Prepaid expenses	421,494	371,143
	<u>605,227</u>	<u>554,315</u>

9. INVESTMENTS

Investments represent a fixed rate bond.

10. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	292,659	93,164
Corporation tax	-	-
Other taxes and social security	-	133,078
Other creditors and accruals	97,034	93,062
Subscriptions and fees received in advance	1,062,638	937,628
	<u>1,452,331</u>	<u>1,256,932</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 2013 the annual commitments under non-cancellable operating leases were as follows:

	Land and Buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Operating leases which expire:				
within one year				
within two to five years	<u>50,000</u>	<u>48,086</u>	<u>1,493</u>	<u>1,493</u>