

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS FOR
THE PERIOD 26 MARCH 2014 - 31 MARCH 2015

Company Registration Number: 8961297

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS

For the period 26 March 2014 – 31 March 2015

Registered office: Bucknalls Lane
Garston
Watford
Hertfordshire
WD25 9XX

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

Solicitors: Sherrards
45 Grosvenor Road
St Albans
Hertfordshire
AL1 3AW

Auditors: KPMG LLP
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

BRE GLOBAL LIMITED

FINANCIAL STATEMENTS

For the period 26 March 2014 – 31 March 2015

INDEX	PAGE
Report of the directors	1
Strategic Report	2-3
Statement of directors' responsibilities in respect of the Directors' Report, Strategic Report and the financial statements	4
Independent auditor's report to the members of BRE Global Ltd	5-6
Principal accounting policies	7
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10-13

BRE GLOBAL LIMITED

REPORT OF THE DIRECTORS

For the period 26 March 2014 – 31 March 2015

The Directors have pleasure in presenting their report for the year ended 31 March 2015.

Directors

The directors who held office during the year and up until the date of signing these accounts are set out below:

Chairman and Director	Peter Bonfield (appointed 26 March 2014)
Directors	Russell Heusch (appointed 26 March 2014)
	Richard Hardy (appointed 26 March 2014)

Political and charitable donations

The company made no political or charitable donations during the year.

Balance sheet event

On 1 April 2014 the BRE Certification, a subsidiary of the Company, hived up its entire business (all assets and liabilities) to the company.

Disclosure of information to the auditor

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 auditor is unaware. Each director has taken all the steps that ought to be taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

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



BY ORDER OF THE BOARD
Richard Hardy
Managing Director

Bucknalls Lane
Garston
Watford
WD25 9XX

Company Registration Number: 8961297

01 September 2015

BRE GLOBAL LIMITED

STRATEGIC REPORT

For the period 26 March 2014 – 31 March 2015

Principal activity

The company provides specialist third party assurance services worldwide (i.e. testing, training, inspection, certification, European Notified Body activities and specialist consultancy) in the areas of fire, security and the environment developed from our deep knowledge, research and understanding of the technologies and regulations in the countries in which we operate. Our services are designed to protect people, property and the environment and so ultimately benefit Governments, insurers, building owners, occupiers and the public as well as those suppliers who meet their requirements. These activities are overseen by an advisory governing body (comprising representative stakeholders) whilst the standards and schemes we develop and operate are informed and reviewed by a standing panel of international academic, industry and regulatory experts.

Review of the Business

Growth of the business throughout the year resulted in turnover of £28.5m and an operating profit at £2.7m before gift aid and taxation, which is slightly down on the profit achieved last year by BRE Certification before the business was hived up to BRE Global Ltd. Some of the growth in turnover can be attributed to our focussed effort to improve delivery and customer satisfaction as well as the expansion of our portfolio of products and services to meet market demand and a growing international market. In addition, confidence in the construction market continued to improve, driving some growth in BREEAM and building products schemes. Increased demand for Physical and Electronic Security saw activity in this area continue to grow.

Following the election, the de-regulatory policies of the previous Government are likely to accelerate which threatens to remove some of the drivers for our services and products. We are therefore refocussing some of our business areas to appeal to business users and consumers as opposed to relying on Government policies. The first clear change in this direction is the development of our new assessment scheme for domestic housing called the Home Quality Mark that will fill the gap left by the Government's decision to wind down the Code for Sustainable Homes scheme. Our new scheme is being developed with industry and key stakeholders to deliver an improved standard, which will enable house builders to differentiate their products and will give consumers information on which to make decisions.

In November, we sold our certification schemes related to the Governments commitments supporting the Energy Performance of Buildings Regulations. This was in response to an ever increasing IT driven market with high volume and low profit margin which was decided as not aligned with our strategic direction. We are continuing to expand our product range and increase our international activities. In addition to our representative offices in Malaysia, India and China, we have quality auditors in Austria, Hungary, Malaysia and the Philippines to improve the international reach of our inspection services. Our LPCB brand is accepted in over 60 countries as meeting local requirements and we have buildings assessed to our International BREEAM schemes in over 70 countries.

To differentiate our offerings from international competition all of our services are underpinned by sound science and research and we write our own standards where there are none existing or there is a clear need from industry for robust standards.

Risk

The risk management process in the Company enables the early identification, evaluation and effective management of the key risks facing the business at an operational level and operates internal controls, which adequately mitigate these risks. The company regularly assesses its risk management activities to ensure good practice in all areas.

BRE GLOBAL LIMITED

STRATEGIC REPORT

For the period 26 March 2014 – 31 March 2015

The accreditation of the Company's assurance services by the United Kingdom Accreditation Service (UKAS) is an important corner stone of our risk management as is our certification to ISO 9001 and 14001. Having an external body such as UKAS audit our operations and activities regularly, helps ensure that the Company both continues to work to, and can demonstrate that they are working to the highest standards. One of the measures employed by the Company to maintain its accreditation is to use an independent advisory Governing Body who both advise the Company and carry out impartiality audits to ensure we are running our business in the correct manner.



BY ORDER OF THE BOARD

Richard Hardy
Managing Director

Bucknalls Lane
Garston
Watford
WD25 9XX

Company Registration Number: 8961297

01 September 2015

BRE GLOBAL LIMITED

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

For the period 26 March 2014 – 31 March 2015

The directors are responsible for preparing the Strategic Report, 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 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 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
58 Clarendon Road
Watford
WD17 1DE
Hertfordshire
United Kingdom

Independent auditor's report to the members of BRE Global Limited

We have audited the financial statements of BRE Global Limited for the period ended 31 March 2015, set out on pages 7 to 13. 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 and express an opinion on 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of the company's profit 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of BRE Global Limited (*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 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.



Mark Matthewman (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

10.9.15

BRE GLOBAL LIMITED

PRINCIPAL ACCOUNTING POLICIES

For the period 26 March 2014 - 31 March 2015

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 and going concern conventions. The principal accounting policies are 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 are wholly owned subsidiaries 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 assurance 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 period 26 March 2014 – 31 March 2015

	Note	Total 2015 £'000
Turnover	1	28,478
Operating expenses		(25,775)
Operating profit		2,703
Dividend	2	652
Payment of Gift Aid to BRE Trust		(2,270)
Profit before taxation		1,085
Tax charge	4	(182)
Profit for the financial year		903

All transactions arise from continuing operations transferred from BRE Certification Ltd on 1 April 2014.

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 on pages 10 to 13 form an integral part of these financial statements.

BRE GLOBAL LIMITEDBALANCE SHEET
As at 31 March 2015

	Note	2015 £'000
Fixed Assets		
Investments	5	7
		<hr/>
		7
Current assets		
Debtors	6	8,231
Creditors: amounts falling due within one year	7	(7,335)
		<hr/>
Net current assets		896
		<hr/>
Total assets less current liabilities		903
		<hr/>
Net assets		903
		<hr/>
Capital and reserves		
Share capital	8	-
Profit and loss account	9	903
		<hr/>
Shareholder's funds		903
		<hr/>

These financial statements were approved by the Board of Directors on 01 September 2015.



Russell Heusch
Director

Company Registration Number: 8961297

The accompanying accounting policies and notes on pages 10 to 13 form an integral part of these financial statements.

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the period 26 March 2014 – 31 March 2015

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.

The auditor's remuneration is borne by other group companies.

2 DIVIDEND

A dividend of £652k was paid by the company's subsidiary BRE Certification Ltd following hive up of that company to BRE Global Ltd.

3 STAFF COSTS

Staff costs, including directors' remuneration, during the period and included in operating expenses amounted to:

	2015 £'000
Wages and salaries	9,459
Social security costs	965
Other pension costs	935
	<hr/>
	11,359
	<hr/>

The average number of full-time equivalent staff including directors during the period was 273.

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period 26 March 2014 – 31 March 2015

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 than the standard rate of corporation tax in the UK, 21%. The differences are explained below.

	2015 £'000
<i>Current tax reconciliation</i>	
Profit on ordinary activities before tax	1,085
Current tax at 21%	228
<i>Effects of:</i>	
Expenses not deductible for tax purposes	3
Dividend receipts	(137)
Timing differences	(19)
Group relief acquired	(42)
Group relief consideration	149
Total current tax charge	182

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and a further reduction to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013 will reduce the company's future current tax charge accordingly.

5 FIXED ASSET INVESTMENTS

	Total £'000
Cost	
Transferred from BRE Certification Ltd on 1 April 2014	7
At 31 March 2015	7
Net book value	
At 31 March 2015	7
At 1 April 2014	7

The fixed asset investment represents a 25% share in Fire Investigations UK LLP a joint venture with 3 other members. BRE also owns 100% of the share capital of BRE Certification Ltd a non-trading company.

BRE GLOBAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the period 26 March 2014 – 31 March 2015

6 DEBTORS

	2015 £'000
Trade debtors	4,961
Amounts recoverable on contracts external to group	561
Amounts recoverable on contracts internal to group	279
Amounts due from group undertakings	2,401
Prepayments	29
	<hr/>
	8,231
	<hr/>

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000
Payments in advance external to group	6,234
Payments in advance within group	9
Trade creditors	232
Amounts due to group undertakings	770
Accruals	90
	<hr/>
	7,335
	<hr/>

8 SHARE CAPITAL

	2015 £
Allotted:	
Issued and fully paid 1 ordinary share of £1	1
	<hr/>

9 MOVEMENT ON CAPITAL AND RESERVES

	Profit and Loss Account £'000
As at 1 April 2014	-
Retained profit for the year	903
	<hr/>
At 31 March 2015	903
	<hr/>

BRE GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period 26 March 2014 – 31 March 2015

10 CAPITAL COMMITMENTS

At 31 March 2015 the company had no commitments for capital expenditure.

11 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2015.

12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is BRE Trust, a registered charity 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.

13 RELATED PARTY TRANSACTIONS

During the period the company had no dealings with related parties.