

Notes to the Company Accounts

A. PROFIT FOR THE YEAR

As permitted by section 230 of the Companies Act 1985, the income statement of the Company is not presented as part of these financial statements. The profit for the year attributable to equity shareholders dealt with in the financial statements of the Company was £21,156,000 (2008: loss of £1,510,000). The Company had no employees during the current or prior year.

B. ACCOUNTING POLICIES

Basis of accounting

Big Yellow Group PLC Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation and with those parts of the Companies Act 1985 that are applicable to companies reporting under IFRS.

The Company has applied all accounting standards and interpretations issued by the International Accounting Standards Board and International Financial Reporting Interpretation Committee as adopted by the European Union, relevant to its operations and effective for accounting periods beginning on or after 1 April 2008. See note 2 of the Group financial statements for accounting standards and interpretations issued but not yet effective. We do not anticipate them having a material impact on the Company's financial statements.

The financial statements have been prepared on the historic cost basis except that derivative financial instruments are stated at fair value.

The Company's principal accounting policies are the same as those applied in the Group financial statements. See note 23 of the Group financial statements for details of share based payments affecting the Company.

Going concern

A review of the Group's business activities, together with the factors likely to affect its future development, performance and position are set out on pages 12 to 23 of the Operating and Financial Review. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are shown in the balance sheet, cash flow statement and accompanying notes in the financial statements. Further information concerning the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk can be found in the Operating and Financial Review.

After reviewing Group and Company cash balances, borrowing facilities and projected cash flows, the Directors believe that the Group and Company have adequate resources to continue operations for the foreseeable future. In reaching this conclusion the Directors have had regard to the Group's operating plan and budget for the year ended 31 March 2010 and projections contained in the longer term business plan. The Directors have considered carefully the Group's trading performance and cash flows as a result of the uncertain global economic environment, the shortage of credit available in the bank finance market in particular and the other principal risks to the Group's performance. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

IFRIC 11, IFRS 2 Group and Treasury Share Transactions

The Company makes equity settled share based payments to certain employees of certain subsidiary undertakings. Equity settled share based payments that are made to the employees of the Company's subsidiaries are treated as increases in equity over the vesting period of the award, with a corresponding increase in the Company's investments in subsidiaries, based on an estimate of the number of shares that will eventually vest. This is the only addition to investment in subsidiaries in the current year.

C. NON CURRENT ASSETS

Investments in subsidiary companies

	Investment in subsidiary undertakings £000
Cost	
At 31 March 2008	2,857
Additions	593
At 31 March 2009	3,450

Details of the Company's principal subsidiary companies at 31 March 2009 and 31 March 2008 are as follows:

Name of subsidiary	Place of incorporation ownership (or registration) and operation	Proportion of voting interest %	Principal activity
Big Yellow Self Storage Company Limited	UK	100	Self storage
Big Yellow Self Storage Company 6 Limited	UK	100	Self storage
Big Yellow Self Storage Company 7 Limited	UK	100	Self storage
Big Yellow Self Storage Company 8 Limited	UK	100	Self storage
BYSSCo Limited	UK	100	Self storage
BYRCo Limited	UK	100	Property management
Big Yellow Construction Company Limited	UK	100	Construction
Big Yellow Self Storage (GP) Limited	UK	51	General Partner

Notes to the Company Accounts (continued)

C. NON CURRENT ASSETS (continued)

Investments in subsidiary companies (continued)

Details of the Company's principal associate at 31 March 2009 and 31 March 2008 is as follows:

Name of associate	Place of incorporation ownership (or registration) and operation	Proportion of voting interest %	Principal activity
Big Yellow Limited Partnership	UK	33	Self storage

Plant, equipment and owner occupied property

	Freehold property £000	Leasehold improvements £000	Total £00
Cost			
At 31 March 2008 and 31 March 2009	1,720	17	1,737
Accumulated depreciation			
At 31 March 2008	(89)	(17)	(106)
Charge for the year	(34)	–	(34)
At 31 March 2009	(123)	(17)	(140)
Net book value			
At 31 March 2009	1,597	–	1,597
At 31 March 2008	1,631	–	1,631

D. TRADE AND OTHER RECEIVABLES

	31 March 2009 £000	31 March 2008 £000
Amounts owed by Group undertakings	407,057	364,520
Prepayments and accrued income	72	180
	407,129	364,700

E. TRADE AND OTHER PAYABLES

	31 March 2009 £000	31 March 2008 £000
Current		
Other payables	15	20
Accruals and deferred income	719	1,672
	734	1,692

Notes to the Company Accounts (continued)

F. BANK BORROWINGS AND FINANCIAL INSTRUMENTS

Interest rate swaps

The Company has two interest rate derivatives in place; £120 million fixed at 2.99% (excluding the margin on the underlying debt instrument) until September 2015 and £70 million fixed at 3.93% (excluding the margin on the underlying debt instrument) until September 2013.

The floating rate at 31 March 2009 was paying a weighted average margin of 1.135% above one month LIBOR, the fixed rate debt was paying a weighted average margin of 1.20%. The Group's policy on risk management is set out in the Business Review on page 15.

	31 March 2009 £000	31 March 2008 £000
Bank borrowings	311,339	284,000
Unamortised loan arrangement costs	(2,667)	(1,103)
	308,672	282,897

The bank loans are secured on 47 of the Group's properties.

Maturity profile of financial liabilities

	2009 Financial liabilities £000	2008 Financial liabilities £000
Within one year or on demand	–	–
Between one and two years	–	–
Between two and five years	311,339	284,000
Gross financial liabilities	311,339	284,000

The fair value of interest rate derivatives at 31 March 2009 was a liability of £5,550,000 (2008: liability of £2,870,000). See note 17 in the Group accounts for detail of the interest rate profile of financial liabilities.

G. RESERVES

Company	Share capital £000	Share premium account £000	Capital redemption reserve £000	Retained earnings £000	Own shares £000	Total £000
Balance at 31 March 2008	11,551	41,645	1,653	31,213	(1,896)	84,166
Profit for the financial year	–	–	–	21,156	–	21,156
Dividends	–	–	–	(6,309)	–	(6,309)
Share options	–	–	–	593	–	593
Issue of shares	8	18	–	–	–	26
Balance at 31 March 2009	11,559	41,663	1,653	46,653	(1,896)	99,632

The Company's share capital is disclosed in note 21 to the consolidated financial statements.

The own shares balance is amounts held by the Employee Benefit Trust and in Treasury (see note 21 of the Group financial statements).

H. FINANCIAL INSTRUMENTS

The disclosure relating to the Company's financial instruments are disclosed in note 17 to the Group financial statements. These disclosures are relevant to the Company's bank borrowings and derivative financial instruments. In addition, the Company has other payables of £15,000 in the current year, which are held at amortised cost in the financial statements.

I. RELATED PARTY TRANSACTIONS

Included within these financial statements are amounts owing from group undertakings of £407,058,000 (2008: £364,520,000), including intercompany interest receivable of £19,553,000 (2008: £17,307,000). A dividend was received from a wholly owned subsidiary of £40,000,000 (2008: £nil).