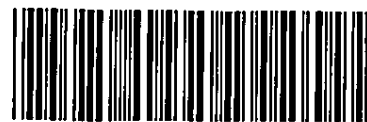


HAMMERSON (CRICKLEWOOD) LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2007

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HAMMERSON (CRICKLEWOOD) LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2007

1 PRINCIPAL ACTIVITIES

The principal activity of the Company is property investment and development in the UK. The Directors do not anticipate any significant change in the principal activity in the foreseeable future.

2 RESULTS AND DIVIDEND

The loss for the year was £201,000 (2006 £2,935,000 profit). The Directors do not recommend the payment of a dividend (2006 nil).

3 REVIEW OF ACTIVITIES AND FUTURE PROSPECTS

It is expected that the Company will continue to hold its development land for its investment value for the foreseeable future.

The Company, as a small company, is exempt from the requirement to report an Enhanced Business Review as permitted by s246 (4) of the Companies Act 1985.

4 DIRECTORS

(a) Mr D J Atkins, Mr P W B Cole, Mr J M Emery, Mr N A S Hardie and Mr A J G Thomson were directors of the Company throughout the year.

(b) Mr J A Bywater resigned as a director of the Company on 31 March 2007.

(c) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.

(d) No director has any interests in contracts entered into by the Company.

(e) The directors' report does not contain a statement as to directors' interests, debentures or options over shares in the Company, the ultimate parent of the Company or any other body corporate in the same group following the repeal of paragraphs 2, 2A and 2B of schedule 7 to the Companies Act 1985. These paragraphs ceased to be in force on 6 April 2007 in relation to accounts approved following that date by the Companies Act 2006 (Commencement No 2, Consequential Amendments, Transitional Provisions and Savings) order 2007 (SI 2007/1093).

5 SECRETARY

Mr S J Haydon was Secretary of the Company throughout the year.

6 INDEMNITY

The Company's ultimate parent company, Hammerson plc, has made qualifying indemnity provisions for the benefit of the Company's directors. Such provisions were made during the year and remain in force at the date of this report.

7 AUDITORS

The Company has elected to dispense with the obligations to appoint auditors annually. Deloitte & Touche LLP resigned as auditors on 1 March 2008, and BDO Stoy Hayward LLP were appointed in its place.

HAMMERSON (CRICKLEWOOD) LIMITED

REPORT AND FINANCIAL STATEMENTS
Year ended 31 December 2007

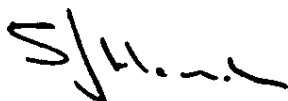
8 PROVISION OF INFORMATION TO AUDITORS

In accordance with Section 234ZA of the Companies Act 1985, each of those persons who are directors of the Company at the date of approval of this report have confirmed that,

- (a) so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) they 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

This directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

By order of the Board



S J Haydon
Secretary

15 JUL 2008

Registered Office
10 Grosvenor Street
London, W1K 4BJ
Registered in England and Wales No 4789711

HAMMERSON (CRICKLEWOOD) LIMITED

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

United Kingdom company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that year

In preparing those 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 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 which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 SHAREHOLDER OF HAMMERSON (CRICKLEWOOD) LIMITED

We have audited the financial statements of Hammerson (Cricklewood) Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, statement of total recognised gains and losses, reconciliation of movements in shareholder's deficit and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with those financial statements. We also report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

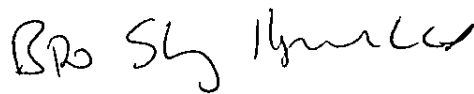
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF HAMMERSON
(CRICKLEWOOD) LIMITED**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and,
- the information given in the Directors' Report is consistent with the financial statements



BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
Epsom
Date 15 July 2008

HAMMERSON (CRICKLEWOOD) LIMITED**PROFIT AND LOSS ACCOUNT**Year ended 31 December 2007

	Notes	2007 £'000	2006 £'000
Gross rental income		620	626
Rents payable and other property outgoings		(87)	(53)
Net rental income		<u>533</u>	<u>573</u>
Administration expenses	2	(77)	-
Operating profit		<u>456</u>	<u>573</u>
Profit on sale of investment properties	3	-	3,118
Net cost of finance	4	(657)	(429)
(Loss)/profit on ordinary activities before taxation		<u>(201)</u>	<u>3,262</u>
Taxation	5	-	(327)
(Loss)/profit for the financial year	10	<u>(201)</u> =====	<u>2,935</u> =====

All amounts are derived from continuing activities

HAMMERSON (CRICKLEWOOD) LIMITED

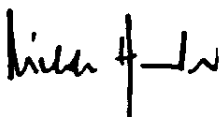
BALANCE SHEET

As at 31 December 2007

	Notes	2007 £'000	2006 £'000
Tangible fixed assets			
Land and buildings	6	17,425	16,350
Current assets			
Debtors	7	130	222
Creditors amounts falling due within one year	8	(11,933)	(10,229)
Net current liabilities		(11,803)	(10,007)
Creditors amounts falling due after one year			
UK REIT entry charge payable		-	(164)
Net assets		5,622	6,179
Capital and reserves			
Called up share capital	9	-	-
Revaluation reserve	10	2,824	3,180
Profit and loss account	10	2,798	2,999
Shareholder's surplus		5,622	6,179

The financial statements were approved and authorised for issue by the Board of Directors on 15 JUL 2008

Signed on behalf of the Board of Directors

Director  _____

HAMMERSON (CRICKLEWOOD) LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****Year ended 31 December 2007**

	2007	2006
	£'000	£'000
(Loss)/profit for the financial year	(201)	2,935
(Deficit)/surplus on revaluation of properties	(356)	2,874
	-----	-----
Total recognised (losses)/gains for the year	(557)	5,809
	=====	=====

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**Year ended 31 December 2007**

	2007	2006
	£'000	£'000
(Loss)/profit for the financial year	(201)	2,935
(Deficit)/surplus on revaluation of properties	(356)	2,874
	-----	-----
Net movement in shareholder's funds	(557)	5,809
Shareholder's funds at 1 January	6,179	370
	-----	-----
Shareholder's funds at 31 December	5,622	6,179
	=====	=====

HAMMERSON (CRICKLEWOOD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2007

1 ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently throughout the current and preceding year

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investment properties and other fixed asset investments, in accordance with all applicable United Kingdom law and accounting standards. The financial statements are in compliance with the Companies Act 1985 except that, as explained below, investment properties are not depreciated.

(b) Net rental income

Rental income from properties leased out under an operating lease is recognised in the profit and loss account on a straight-line basis over the lease term. Contingent rents, such as turnover rents, rent reviews and indexation are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

Lease incentives and costs associated with entering into tenant leases are added to the costs of property and are amortised over the period to the first break option or, if the probability that the break option will be exercised is considered low, over the lease term.

Property operating expenses are accounted for on an accruals basis and any property operating expenditure not recovered from tenants through service charges is charged to the profit and loss account.

(c) Profits and losses on the sale of properties

Profits and losses on the sale of properties are taken into account on completion of contract, and are calculated by reference to the carrying value at the end of the previous year, adjusted for subsequent capital expenditure.

(d) Investments properties

Properties held for the long term are valued at the balance sheet date at market value. Surpluses and deficits arising from revaluation are taken to the revaluation reserve.

All costs directly associated with the purchase and construction of a development property are capitalised. A property is regarded as being in the course of development until ready for its intended use.

(e) Deferred taxation

In accordance with Financial Reporting Standard 19 "Deferred tax", deferred tax is provided in respect of all timing differences that may give rise to an obligation to pay more or less tax in the future.

HAMMERSON (CRICKLEWOOD) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2007

1 ACCOUNTING POLICIES (continued)

(f) Depreciation

In accordance with Statement of Standard Accounting Practice No 19, no depreciation is provided in respect of freehold properties or leasehold properties with over twenty years to expiry. This is a departure from the requirements of the Companies Act 1985, which requires all properties to be depreciated. Such properties are not held for consumption, but for investment, and the directors consider that to depreciate them would not give a true and fair view. Depreciation is only one amongst many factors reflected in the annual valuation of properties and accordingly the amount of depreciation, which might otherwise have been charged, cannot be separately identified or quantified. The directors consider that this policy results in the accounts giving a true and fair view.

2 ADMINISTRATION EXPENSES

	2007 £'000	2006 £'000
Management fee payable to group company	77	-
	=====	=====

The average number of employees during the year, excluding directors, was nil (2006 nil)

The directors did not receive any remuneration for services to the Company in both the current and preceding financial year.

Another group company has paid the auditors' remuneration in both the current and preceding financial year. Fees for the audit of the Company were £1,350 (2006 £1,900)

3 PROFIT ON SALE OF INVESTMENT PROPERTIES

	2007 £'000	2006 £'000
Gross proceeds on sale	-	7,325
Historical cost of properties sold	-	(4,150)
	-----	-----
Historical cost profit	-	3,175
	-----	-----
Selling costs	-	(57)
	-----	-----
Profit on sale of investment properties	-	3,118
	=====	=====

4. NET COST OF FINANCE

	31 December 2007	31 December 2006
Interest payable to ultimate parent company	691	429
Interest receivable	(34)	-
	-----	-----
	657	429
	=====	=====

HAMMERSON (CRICKLEWOOD) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2007

5 TAXATION

Tax charge on profit on ordinary activities

	2007 £'000	2006 £'000
Current tax		
Entry charge payable on election for UK REIT status	-	327
	=====	=====

The Company's ultimate parent company, Hammerson plc, elected to be taxed as a UK Real Estate Investment Trust ("UK REIT") from 1 January 2007, and as a consequence, group companies are exempted from UK corporation tax on the profits of a UK property rental business and on the gains on UK investment properties

Group companies remain subject to UK corporation tax on other items but, as the group has surplus tax losses, the group's policy is for these taxable profits and losses to be fully offset by group relief surrendered without payment, so that individual subsidiaries do not bear tax

The Company therefore had no tax charge in the year and this is expected to continue for the foreseeable future. The profits covered by group relief for the year ended 31 December 2007 are nil (2006 £145,000)

The prior year current tax charge represented the provision for the UK REIT entry charge

6 LAND AND BUILDINGS

- (a) The movements in the year on properties held for or in the course of development on valuation were

	Freehold land £'000
At 1 January 2007	16,350
Additions at cost	1,431
Deficit on revaluation	(356)

At 31 December 2007	17,425
	=====

- (b) The Company's property is stated at market value at 31 December 2007, valued by professionally qualified external valuers DTZ Debenham Tie Leung, Chartered Surveyors, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, has prepared the valuation. The deficit arising on revaluation has been transferred to the revaluation reserve
- (c) The cost of property at 31 December 2007 was £14,601,000 (2006 £13,170,000)

HAMMERSON (CRICKLEWOOD) LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2007

7 DEBTORS

	2007	2006
	£'000	£'000
Trade debtors	113	-
Amounts owed by fellow group undertakings	-	222
Other debtors	17	-
	<u>130</u>	<u>222</u>
	=====	=====

All amounts shown under debtors fall due for payment within one year

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£'000	£'000
Trade creditors	170	80
Amounts owed to ultimate parent company	10,697	9,951
Amounts owed to fellow group undertakings	879	15
UK REIT entry charge payable	164	163
Other creditors	23	20
	<u>11,933</u>	<u>10,229</u>
	=====	=====

Amounts owed to the ultimate parent company bear interest at variable rates based on LIBOR. Amounts owed to fellow group undertakings are non-interest bearing

9 CALLED UP SHARE CAPITAL

	2007	2006
	£	£
Authorised.		
100 Ordinary shares of £1 each	100	100
	=====	=====
Called up, allotted and fully paid		
2 Ordinary shares of £1 each	2	2
	=====	=====

10 RESERVES

	Profit and loss	Revaluation
	account	reserve
	£'000	£'000
Balance at 1 January 2007	2,999	3,180
Loss for the financial year	(201)	-
Deficit on revaluation of investment properties	-	(356)
	<u>2,798</u>	<u>2,824</u>
Balance at 31 December 2007	=====	=====

HAMMERSON (CRICKLEWOOD) LIMITED

NOTES TO THE ACCOUNTS
Year ended 31 December 2007

11 RELATED PARTY DISCLOSURE AND CASH FLOW STATEMENT

The Company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard 8, "Related Party Disclosures", not to disclose details of all of its related party transactions with other group companies. In the opinion of the directors there are no other related party transactions to be disclosed in the current or preceding financial year.

As the Company is a wholly owned subsidiary it has taken exemption under the terms of Financial Reporting Standard 1 (revised 1996), "Cash flow statements", from preparing a cash flow statement, as it is included in the consolidated financial statements of Hammerson plc, which are publicly available.

12 ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY

At 31 December 2007, the Company's ultimate parent company was Hammerson plc, which is registered in England and Wales and the parent undertaking of the smallest and largest group to consolidate these financial statements. At 31 December 2007, the Company's immediate parent company was Hammerson UK Properties plc. Copies of the consolidated financial statements of Hammerson plc are available from the Company Secretary, 10 Grosvenor Street, London, W1K 4BJ.