

Company Number: 4789711

**HAMMERSON (CRICKLEWOOD) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2008

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## HAMMERSON (CRICKLEWOOD) LIMITED

### REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2008

#### 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 profit for the year after tax was £3,000 (2007: loss of £201,000). The Directors do not recommend the payment of a dividend (2007: nil).

#### 3. REVIEW OF ACTIVITIES AND FUTURE PROSPECTS

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

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

#### 4. DIRECTORS

- (a) Mr. D. J. Atkins, Mr. P.W.B. Cole, Mr. N.A.S. Hardie and Mr. A.J.G. Thomson were directors of the Company throughout the year.
- (b) Mr. J.M. Emery resigned as a director of the Company on 8 October 2008.
- (c) Mr. A.J. Berger-North, Mr. L.F. Hutchings and Mr. M.C. Jepson were appointed as directors of the Company on 8 October 2008.
- (d) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.
- (e) No director has any interests in contracts entered into by the Company.

#### 5. SECRETARY

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

#### 6. SHARE CAPITAL

On 5 June 2008, the authorised share capital of the Company was increased by 24,999,900 ordinary shares of £1 each to 25,000,000 ordinary shares of £1 each.

On 5 June 2008, the issued share capital of the Company was increased from 2 ordinary shares of £1 each to 8,000,000 ordinary shares of £1 each.

#### 7. INDEMNITY

In accordance with section 236 of the Companies Act 2006, the Company confirms that its ultimate parent company Hammerson plc has made qualifying third party indemnity provisions for the benefit of the Company's directors which were in place throughout the year and which remain in place at the date of this report.

**HAMMERSON (CRICKLEWOOD) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2008

**8. AUDITORS**

The Company has elected to dispense with the obligations to appoint auditors annually and accordingly, BDO Stoy Hayward LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 487(2) of the Companies Act 2006.

BDO Stoy Hayward LLP have indicated their willingness to continue in office.

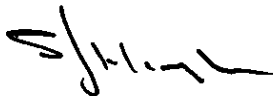
**9. PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who is director 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

**29 JUN 2009**

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.

## HAMMERSON (CRICKLEWOOD) LIMITED

### 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 2008 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movements in shareholder's funds 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.

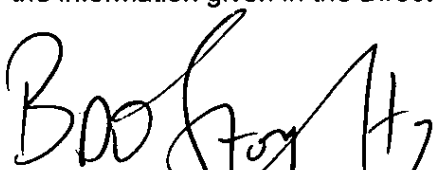
**HAMMERSON (CRICKLEWOOD) LIMITED**

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

*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 2008 and of its profit 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: 30 June 2009

**HAMMERSON (CRICKLEWOOD) LIMITED****PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2008**

	<b>Notes</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Gross rental income		639	620
Rents payable and other property outgoings		(56)	(87)
Net rental income		<u>583</u>	<u>533</u>
Administration expenses	2	(97)	(77)
Operating profit		<u>486</u>	<u>456</u>
Net cost of finance	3	(483)	(657)
Profit/(loss) on ordinary activities before and after taxation for the financial year		<u>3</u>	<u>(201)</u>

All amounts relate to continuing activities.

**HAMMERSON (CRICKLEWOOD) LIMITED**

**BALANCE SHEET**  
As at 31 December 2008

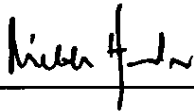
	Notes	2008 £'000	2007 £'000
<b>Tangible fixed assets</b>			
Investment properties	5	16,778	17,425
		-----	-----
<b>Current assets</b>			
Debtors	6	383	130
Creditors: amounts falling due within one year	7	(4,221)	(11,933)
		-----	-----
<b>Net current liabilities</b>		(3,838)	(11,803)
		-----	-----
<b>Net assets</b>		12,940	5,622
		=====	=====
<b>Capital and reserves</b>			
Called up share capital	8	8,000	-
Revaluation reserve	9	2,139	2,824
Profit and loss account	9	2,801	2,798
		-----	-----
<b>Shareholder's funds</b>		12,940	5,622
		=====	=====

The Board of Directors approved and authorised for issue the financial statements on

**29 JUN 2009**

Signed on behalf of the Board of Directors

Director





**HAMMERSON (CRICKLEWOOD) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**Year ended 31 December 2008

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Profit/(loss) for the financial year	3	(201)
Deficit on revaluation of properties	(685)	(356)
	-----	-----
Total recognised losses for the year	(682)	(557)
	=====	=====

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**Year ended 31 December 2008

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Profit/(loss) for the financial year	3	(201)
Deficit on revaluation of properties	(685)	(356)
Issue of shares	8,000	-
	-----	-----
Net movement in shareholder's funds	7,318	(557)
Shareholder's funds at 1 January	5,622	6,179
	-----	-----
Shareholder's funds at 31 December	12,940	5,622
	=====	=====

## HAMMERSON (CRICKLEWOOD) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2008

#### 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, 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) Investment 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 2008

### 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

	2008 £'000	2007 £'000
Management fee payable to group company	98	77
Other administration expenses	(1)	-
	-----	-----
	97	77
	=====	=====

The average number of employees during the year, excluding directors, was nil (2007: 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 £2,600 (2007: £2,500).

### 3. NET COST OF FINANCE

	2008	2007
Interest payable to ultimate parent company	484	691
Interest receivable	(1)	(34)
	-----	-----
	483	657
	=====	=====

## HAMMERSON (CRICKLEWOOD) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2008

#### 4. TAXATION

##### Tax charge

The Company's ultimate parent company, Hammerson plc, is taxed as a UK Real Estate Investment Trust ("UK REIT") 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 items other than UK property rental profits and gains on UK investment properties 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 for the period, and this is expected to continue for the foreseeable future. Profits covered by group relief for the year ended 31 December 2008 are £1,000 (2007: £nil).

#### 5. INVESTMENT PROPERTIES

(a) The movements in the year on properties were:

	<b>Freehold £'000</b>
At 1 January 2008	17,425
Additions at cost	38
Deficit on revaluation	(685)
	-----
At 31 December 2008	16,778
	=====

(b) Properties are stated at market value at 31 December 2008, valued by professionally qualified external valuers, DTZ Debenham Tie Leung, Chartered Surveyors. The valuations have been prepared in accordance with the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors (the Standards) and with IVA 1 of the International Valuation Standards. In their valuation report, the valuers have noted, in accordance with Guidance Note 5 of the Standards, that the primary source of evidence for valuations should be recent, comparable market transactions on arm's length terms. The current economic environment means that there have been few transactions for the types of property owned by the Company. Consequently, there is a greater degree of uncertainty in respect of the figures reported by the valuers. Until the number and consistency of comparable transactions increases, this situation is likely to remain. The deficit arising on revaluation has been transferred to the revaluation reserve.

(c) The historical cost of investment property at 31 December 2008 was £14,639,000 (2007: £14,601,000).

**HAMMERSON (CRICKLEWOOD) LIMITED**

**NOTES TO THE ACCOUNTS**  
Year ended 31 December 2008

**6. DEBTORS**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	164	113
Amounts owed by fellow group undertakings	219	-
Other debtors	-	17
	-----	-----
	<b>383</b>	<b>130</b>
	=====	=====

All amounts shown under debtors fall due for payment within one year. Amounts owed by fellow group undertakings are non-interest bearing.

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	225	170
Amounts owed to ultimate parent company	3,898	10,697
Amounts owed to fellow group undertakings	64	879
UK REIT entry charge payable	-	164
Other creditors	34	23
	-----	-----
	<b>4,221</b>	<b>11,933</b>
	=====	=====

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.

**8. SHARE CAPITAL**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
25,000,000 (2007:100) Ordinary shares of £1 each	25,000,000	100
	=====	=====
<b>Called up, allotted and fully paid:</b>		
8,000,000 (2007:2) Ordinary shares of £1 each	8,000,000	2
	=====	=====

On 5 June 2008, the authorised share capital of the Company was increased by 24,999,900 ordinary shares of £1 each to 25,000,000 ordinary shares of £1 each.

On 5 June 2008, the issued share capital of the Company was increased from 2 ordinary shares of £1 each to 8,000,000 ordinary shares of £1 each.

## HAMMERSON (CRICKLEWOOD) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2008

#### 9. RESERVES

	Profit and loss account £'000	Revaluation reserve £'000
Balance at 1 January 2008	2,798	2,824
Profit for the financial year	3	-
Deficit on revaluation of investment properties	-	(685)
	-----	-----
Balance at 31 December 2008	2,801	2,139
	=====	=====

#### 10. 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.

The Company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard 1 (revised 1996), "Cash flow statements", not to prepare a cash flow statement, as its cash flows are included in the consolidated financial statements of Hammerson plc, which are publicly available.

#### 11. ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY

At 31 December 2008, 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 2008, 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.