

Registration number 02835919

# Hyfleet Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2018

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## **Hyfleet Limited**

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## Hyfleet Limited

### Strategic Report for the Year Ended 31 March 2018

The directors present their Strategic Report for the year ended 31 March 2018

#### **Business review and principal activities**

Hyfleet Limited ("the company") is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies ("the group")

The company's principal activity is that of an investment holding company in the United Kingdom (UK).

As shown in the company's Profit and Loss Account on page 5, the company's turnover has remained consistent with the prior year. Result before taxation is £nil compared to a result before taxation of £nil in the prior year.

Dividends of £nil (2017: £nil) were paid in the year.

*The Balance Sheet on page 7 shows that the company's financial position at the year end has, in net assets terms, remained consistent with the prior year.*

The value of investments held as at 31 March 2018 has remained consistent with 2017, as shown in note 7 to the company's Balance Sheet.

The company is a subsidiary of The British Land Company PLC. The company's strategy is the same as the group's strategy - to deliver an above average annualised total return to shareholders, which is achieved by creating attractive environments in the right places focused around the people who work, shop and live in them.

The expected future developments of the company are determined by the strategy of the group. There are no future developments outside of the company's current operations planned.

For more information also see The British Land Company PLC group annual report.

The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

#### **Principal risks and uncertainties**

This company is part of a large property investment group. As such, the fundamental underlying risks for this company are those of the property group as discussed below.

## Hyfleet Limited

### Strategic Report for the Year Ended 31 March 2018 (continued)

The group generates returns to shareholders through long-term investment decisions requiring the evaluation of opportunities arising in the following areas:

- demand for space from occupiers against available supply,
- identification and execution of investment and development strategies which are value enhancing,
- availability of financing or refinancing at an acceptable cost,
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values,
- legislative changes, including planning consents and taxation,
- engagement of development contractors with strong covenants,
- key staff changes, and
- environmental and health and safety policies

These opportunities also represent risks, the most significant being change to the value of the property portfolio. This risk has high visibility to directors and is considered and managed on a continuous basis. Directors use their knowledge and experience to knowingly accept a measured degree of market risk

The group's preference for prime assets and their secure long term contracted rental income, primarily with upward only rent review clauses, presents lower risks than many other property portfolios

The financial risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group accounts

The company has no third party debt. It therefore has no interest rate exposure.

Approved by the Board on 29/09/18 and signed on its behalf by

  
VICTORIA COOPER  
British Land Company Secretarial Limited  
Company secretary

## **Hyfleet Limited**

### **Directors' Report for the Year Ended 31 March 2018**

The directors present their report and the unaudited financial statements for the year ended 31 March 2018

#### **Directors of the company**

The directors, who held office during the year, and up to the date of signing the financial statements, were as follows:

S M Barzycki

T A Roberts

N M Webb

#### **Directors' responsibilities statement**

The directors acknowledge their responsibilities for preparing the Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has 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 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.

The company has indemnified its current directors. The indemnity arrangements are qualifying indemnity provisions under the Companies Act 2006 and are currently in force at the date of this Annual Report.

#### **Environmental matters**

Across the group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies. The group's full sustainability report is available online at

[www.britishland.com/sustainability/reports-and-publications/2018](http://www.britishland.com/sustainability/reports-and-publications/2018)

#### **Going concern**

The directors consider the company to be a going concern and the accounts are prepared on this basis. Details of this are shown in note 2 of the financial statements.

#### **Subsequent Events**

Details of significant events since the Balance Sheet date, if any, are contained in note 13.

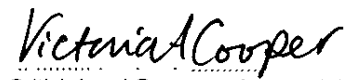
**Hyfleet Limited**

**Directors' Report for the Year Ended 31 March 2018 (continued)**

**Audit exemption taken for the year ended 31 March 2018**

The company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of that Act, as disclosed on page 147 of The British Land Company PLC Annual Report and Accounts 2018. The ultimate holding company and controlling party is The British Land Company PLC

Approved by the Board on 27/09/18 and signed on its behalf by

 VICTORIA COOPER  
British Land Company Secretarial Limited  
Company secretary

**Hyfleet Limited**

**Profit and Loss Account for the Year Ended 31 March 2018**

	Note	2018 £	2017 £
<b>Turnover</b>		-	-
<b>Operating profit/(loss)</b>		-	-
<b>Profit/(loss) on ordinary activities before taxation</b>		-	-
Tax on profit on ordinary activities	6	-	-
<b>Profit/(loss) for the year</b>		-	-

Turnover and results were derived from continuing operations within the United Kingdom

The notes on pages 9 to 13 form an integral part of these financial statements

**Hyfleet Limited**

**Statement of Comprehensive Income for the Year Ended 31 March 2018**

	2018 £	2017 £
Profit/(loss) for the year	-	-
Total comprehensive income/(expense) for the year	-	-

The notes on pages 9 to 13 form an integral part of these financial statements



**Hyfleet Limited**

(Registration number: 02835919)

**Balance Sheet as at 31 March 2018**

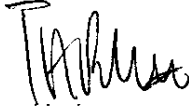
	Note	31 March 2018 £	31 March 2017 £
<b>Fixed assets</b>			
Investments	7	<u>2</u>	<u>2</u>
		<u>2</u>	<u>2</u>
<b>Current assets</b>			
Debtors	8	<u>39,026,502</u>	<u>39,026,504</u>
		<u>39,026,502</u>	<u>39,026,504</u>
Creditors due within one year	9	<u>(2)</u>	<u>(4)</u>
<b>Net current assets</b>		<u>39,026,500</u>	<u>39,026,500</u>
<b>Net assets</b>		<u>39,026,502</u>	<u>39,026,502</u>
<b>Capital and reserves</b>			
Share capital	10	<u>2</u>	<u>2</u>
Profit and loss account		<u>39,026,500</u>	<u>39,026,500</u>
<b>Shareholders' funds</b>		<u>39,026,502</u>	<u>39,026,502</u>

For the financial year ending 31 March 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

**Directors' responsibilities.**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006, and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 27/09/18 and signed on its behalf by

  
T. ROBERTS  
Director

The notes on pages 9 to 13 form an integral part of these financial statements

**Hyfleet Limited**

**Statement of Changes in Equity for the Year Ended 31 March 2018**

	Share capital £	Profit and loss account £	Total £
<b>Balance at 1 April 2016</b>	2	39,026,500	<b>39,026,502</b>
Total comprehensive income/(expense) for the year	-	-	-
<b>Balance at 31 March 2017</b>	<u>2</u>	<u>39,026,500</u>	<u><b>39,026,502</b></u>
<b>Balance at 1 April 2017</b>	2	39,026,500	<b>39,026,502</b>
Total comprehensive income/(expense) for the year	-	-	-
<b>Balance at 31 March 2018</b>	<u>2</u>	<u>39,026,500</u>	<u><b>39,026,502</b></u>

The notes on pages 9 to 13 form an integral part of these financial statements

## Hyfleet Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2018

#### 1 General information

The company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom

The address of its registered office is:

York House  
45 Seymour Street  
London  
W1H 7LX

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements in accordance with Companies Act 2006 Section 400, because it is included in the group accounts of The British Land Company PLC.

##### Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRSs that have been issued but are not yet effective;
- (f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and

## **Hyfleet Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2018 (continued)**

#### **2 Accounting policies (continued)**

- (i) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group accounts of The British Land Company PLC. The group accounts of The British Land Company PLC are available to the public and can be obtained as set out in note 14.

#### **Going concern**

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully in the current economic climate. Accordingly, they believe the going concern basis is an appropriate one.

#### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 April 2017 have had a material effect on the financial statements.

#### **Taxation**

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

#### **Investments**

Fixed asset investments are stated at the lower of cost and the underlying net asset value of the investments.

#### **3 Significant accounting judgements and key sources of estimation uncertainty**

The key source of estimation uncertainty relates to the valuation of investments. The potential for management to make judgements or estimates relating to those items which would have a significant impact on the financial statements is considered, by the nature of the group's business, to be limited.

#### **4 Auditors' remuneration**

No non-audit fees (2017: £nil) were paid to PricewaterhouseCoopers LLP.

#### **5 Staff costs**

No director received any remuneration for services to the company in either year. The remuneration of the directors was borne by another company, for which no apportionment or recharges were made. The value of this service was negligible.

Average number of employees, excluding directors, of the company during the year was nil (2017: nil).

**Hyfleet Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2018  
(continued)**

**6 Tax on profit on ordinary activities**

	2018 £	2017 £
<b>Current taxation</b>		
UK corporation tax	-	-
Tax charge/(credit) in the profit and loss account	-	-
	2018 £	2017 £
<b>Tax reconciliation</b>		
Profit/(loss) on ordinary activities	-	-
Tax on profit on ordinary activities at UK corporation tax rate of 19% (2017 20%)	-	-
<b>Effects of:</b>		
Taxable Transfer Pricing Adjustments	153,491	-
Group Relief	(153,491)	-
<b>Total tax charge/(credit)</b>	-	-

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantially enacted on 6 September 2016. This rate reduction has been reflected in the calculation of deferred tax on the Balance Sheet date, where relevant.

**7 Investments**

	Shares in subsidiaries £	Total £
<b>Underlying net asset value of investment</b>		
1 April 2017	2	2
31 March 2018	2	2
<b>Underlying net asset value of investment</b>		
1 April 2016	2	2
31 March 2017	2	2
<b>Provision for underlying net asset change</b>		
1 April 2017	-	-

**Hyfleet Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2018  
(continued)**

**7 Investments (continued)**

	Shares in subsidiaries £	Total £
31 March 2018	-	-
<b>Provision for underlying net asset change</b>		
1 April 2016	-	-
31 March 2017	-	-
<b>At cost</b>		
<b>31 March 2018</b>	<b>2</b>	<b>2</b>
31 March 2017	2	2

Details of the subsidiaries as at 31 March 2018 are as follows:

<b>Subsidiary</b>	<b>Principal activity</b>	<b>Interest</b>	<b>Country</b>
Garamead Properties Limited	Dormant	100%	United Kingdom

All investments based in the United Kingdom have a registered address of York House, 45 Seymour Street, London, W1H 7LX

**8 Debtors**

	31 March 2018 £	31 March 2017 £
Amounts due from related parties	39,026,502	39,026,504
	<b>39,026,502</b>	<b>39,026,504</b>

Debtors from related parties relate to amounts due from group companies which are repayable on demand  
There is no interest charged on these balances

**9 Creditors due within one year**

	31 March 2018 £	31 March 2017 £
Amounts due to related parties	2	4
	<b>2</b>	<b>4</b>

## Hyfleet Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2018 (continued)

#### 9 Creditors due within one year (continued)

Amounts due to related parties relate to amounts owed to group companies which are repayable on demand. Interest is charged on these balances in accordance with the group policy on intercompany loan accounts

#### 10 Share capital

##### Allotted, called up and fully paid shares

	No.	31 March 2018 £	No.	31 March 2017 £
Ordinary shares of £1 each	2	2	2	2

#### 11 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2017: nil)

#### 12 Contingent liabilities

The company is jointly and severally liable with the ultimate holding company and fellow subsidiaries for all monies falling due under the group VAT registration

#### 13 Subsequent events

There have been no significant events since the year end

#### 14 Parent and ultimate parent undertaking

The immediate parent company is The British Land Company PLC

The British Land Company PLC is the smallest and largest group for which group accounts are available and which include the company. The ultimate holding company and controlling party is The British Land Company PLC. Group accounts for this company are available on request from British Land, York House, 45 Seymour Street, London, W1H 7LX