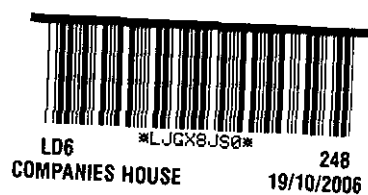


Company Number: 3234235

**GOVERNEFFECT LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2005



## GOVERN EFFECT LIMITED

### REPORT OF THE DIRECTORS Year ended 31 December 2005

#### 1. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The directors anticipate that the Company will continue to hold investments for the foreseeable future.

#### 2. DIVIDEND

No dividend was paid or proposed during the year (2004: £nil).

#### 3. REVIEW OF DEVELOPMENTS AND FUTURE PROPECTS

The Company has not traded during the year and consequently has made neither a profit nor loss. The directors expect that the present level of activity will not change for the foreseeable future.

#### 4. DIRECTORS

- (a) Mr. J.A. Bywater, Mrs. V. Forster and Mr. N.A.S. Hardie were directors of the Company throughout the year.
- (b) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.
- (c) None of the directors have any interests in the shares of the Company.
- (d) No director has any interest in contracts entered into by the Company.

#### 5. SECRETARY

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

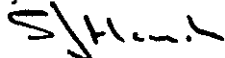
#### 6. AUDITORS

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386(2) of the Companies Act 1985.

#### 7. REGISTERED OFFICE

On 24 June 2006 the registered office was moved from 100 Park Lane, London W1K 7AR

By order of the Board



S.J. Haydon  
Secretary

17 OCT 2006

Registered Office:  
10 Grosvenor Street  
London W1K 4BJ  
Registered in England and Wales No. 3234235

## **GOVERNMENT LIMITED**

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

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 the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 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.

## Year ended 31 December 2005

There have been no other movements in shareholders' funds during the current or preceding years, therefore no separate statement of the movement in shareholders' funds has been presented.

31 December 2005

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Investments	3	1,500	1,500
<b>CURRENT ASSETS</b>			
Debtors	4	2	2
<b>CREDITORS: amounts falling due within one year</b>	5	(1,500)	(1,500)
<b>NET CURRENT LIABILITIES</b>		(1,498)	(1,498)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2	2
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	2	2
Equity shareholders' funds		2	2

- (a) For the year ended 31 December 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
  - ensuring the company keeps accounting records which comply with section 221; and
  - preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 17 OCT 2006

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## GOVERN EFFECT LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2005

#### 1. ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with all applicable United Kingdom accounting standards and in compliance with the Companies Act 1985.

##### (b) Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

#### 2. ADMINISTRATION EXPENSES

The Company has not paid any directors emoluments during the current or preceding years. As the Company is non-trading, the services of the directors are of a non-executive nature, and their emoluments are deemed wholly attributable to their services to other group companies. Accordingly, no directors' emoluments are disclosed for the current or preceding years.

The Company did not pay any remuneration, including expenses, to the Company's auditors. The auditors' remuneration has been paid by a controlling party in both the current and preceding financial years.

The Company has not had any employees at any point during the current or preceding years.

#### 3. INVESTMENTS

	2005 £	2004 £
Cost	1,500 =====	1,500 =====

The above investment comprises a 0.01% beneficial interest in a protective lease on the site of a shopping centre investment. The balance of the interest is held by the immediate parent company.

# GOVERNEFFECT LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2005

### 4. DEBTORS

	2005 £	2004 £
Amount owed by immediate parent company	2 =====	2 =====

The above amount is due after more than one year.

### 5. CREDITORS

	2005 £	2004 £
Amount owed to immediate parent company	1,500 =====	1,500 =====

### 6. CALLED UP SHARE CAPITAL

	2005 £	2004 £
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	1,000 =====	1,000 =====
	£	£
<b>Called up, allotted and unpaid:</b>		
2 ordinary shares of £1 each	2 =====	2 =====

### 7. CASH FLOW AND RELATED PARTY DISCLOSURE

As the Company has not traded during the current or preceding year there is no cash flow information to disclose.

The Company is exempt under the terms of Financial Reporting Standard 8 "Related party disclosures" from disclosing related party transactions with entities that are part of the Hammerson plc group.

In the opinion of the directors there are no other related party transactions to be disclosed during the current or preceding years.

### 8. ULTIMATE CONTROLLING PARTIES

The immediate parent undertaking is West Quay Shopping Centre Limited, 100% of the shares of which are ultimately controlled by Hammerson plc, which is incorporated in Great Britain and registered in England and Wales. Copies of its financial statements are available from that company's registered office, 10 Grosvenor Street, London W1K 4BJ.