

Company Number: 4035681

**GRANTCHESTER HOLDINGS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2004



LD6 \*L5G1L9WX\* 248  
COMPANIES HOUSE 28/10/2005

## **GRANTCHESTER HOLDINGS LIMITED**

### **REPORT OF THE DIRECTORS**

Year ended 31 December 2004

#### **1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS**

The principal activity of the Company is that of an intermediate holding company in the United Kingdom. The directors do not anticipate any significant changes in activities in the forthcoming year.

#### **2. RESULTS AND DIVIDENDS**

The profit and loss account is set out on page 6 and shows the profit for the year. The directors do not recommend the payment of a dividend (2003:£nil).

#### **3. DIRECTORS**

- a) Mr. D.J. Atkins, Mr. J.A. Bywater, Mr. P.W.B. Cole, Mr. S.R. Melliss and Mr. R.J.G Richards 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) No director had any interests in the share capital of the Company during or at the end of the year. The interests of Messrs Bywater, Cole, Melliss and Richards in the share capital of the ultimate parent company, Hammerson plc, are disclosed in the financial statements of that company. The interests, if any, of Mr Atkins in the share capital of Hammerson plc or any other group undertaking, are disclosed in the financial statements of Hammerson UK Properties plc, a fellow group undertaking. Other than set out above, no director had any interests in the share capital of any other group undertaking during or at the end of the year.
- d) No director has any interests in contracts entered into by the Company.

#### **4. SECRETARY**

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

**GRANTCHESTER HOLDINGS LIMITED**

REPORT OF THE DIRECTORS (continued)  
Year ended 31 December 2004

5. 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.

Deloitte & Touche LLP have indicated their willingness to continue in office and a resolution proposing their reappointment will be put to the members at the general meeting.

By order of the Board



S.J. Haydon  
Secretary

**25 OCT 2005**

2005

Registered Office:

100 Park Lane  
London, W1K 7AR

Registered in England and Wales No. 4035681

## **GRANTCHESTER HOLDINGS 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 that year.

*In preparing those 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRANTCHESTER HOLDINGS LIMITED**

We have audited the financial statements of Grantchester Holdings Limited for year ended 31 December 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards 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 judgments 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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP  
Chartered Accountants  
and Registered Auditors  
London

27 October

2005

**GRANTCHESTER HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT**

Year ended 31 December 2004

	<b>Note</b>	<b>2004 £'000</b>	<b>2003 £'000</b>
Administration expenses		(1,260)	(92)
		-----	-----
<b>Operating loss</b>	<b>2</b>	<b>(1,260)</b>	<b>(92)</b>
Income from shares in group undertakings		130,000	-
Amounts written off investments		-	(60,906)
Interest payable and similar charges	<b>3</b>	(9,388)	-
		-----	-----
<b>Profit/(Loss) on ordinary activities before taxation</b>		<b>119,352</b>	<b>(60,998)</b>
Taxation	<b>4</b>	14	-
		-----	-----
<b>Retained profit/(loss) on ordinary activities for the financial year</b>		<b>119,366</b>	<b>(60,998)</b>
		=====	=====

All amounts relate to continuing activities.

There are no other recognised gains and losses in the current or preceding years and therefore no separate statement of total recognised gains and losses has been presented.

# GRANTCHESTER HOLDINGS LIMITED

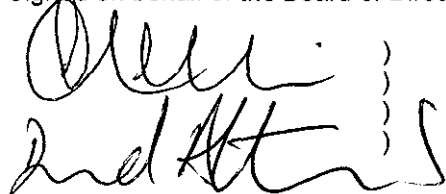
## BALANCE SHEET At 31 December 2004

	Note	2004 £'000	2003 £'000
<b>Fixed assets</b>			
Investments	5	244,289	244,289
<b>Current assets</b>			
Debtors	6	130,030	-
<b>Creditors: amounts falling due within one year</b>	7	(215,021)	(204,357)
<b>Net current liabilities</b>		(84,991)	(204,357)
<b>Total assets less current liabilities</b>		159,298	39,932
<b>Capital and reserves</b>			
Called up share capital	8	19,207	19,207
Share premium account	9	9,837	9,837
Capital redemption reserve	9	50	50
Other reserve	9	32,435	32,435
Profit and loss account	9	97,769	(21,597)
<b>Equity shareholder's funds</b>		159,298	39,932

There have been no other movements in shareholder's funds during the year other than as stated above, therefore no separate statement of the movement in shareholder's deficit has been presented.

The financial statements were approved by the Board on 25 OCT 2005 2005

Signed on behalf of the Board of Directors



Directors

## GRANTCHESTER HOLDINGS LIMITED

### NOTES TO THE ACCOUNTS

Year ended 31 December 2004

#### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in both the current and preceding year.

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 law. The financial statements are in compliance with the Companies Act 1985.

b) Basis of non-consolidation

Grantchester Holdings Limited is exempt from preparing group accounts under section 228 of the Companies Act 1985 as it is itself a subsidiary undertaking and its ultimate parent company prepares consolidated accounts.

c) Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less provision for impairment.

d) 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.

#### 2. ADMINISTRATION EXPENSES

Operating loss is stated after charging:

	2004 £'000	2003 £'000
Management fees	(1,267)	-
Wages and salaries	-	(2)
	-----	-----
	(1,267)	(2)
	=====	=====

The average number of employees during the year, excluding directors, was nil (2003: 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.



# GRANTCHESTER HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2004

### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £'000	2003 £'000
Interest payable to group undertakings	9,388 =====	- =====

### 4. TAXATION

#### (a) Tax credit

	2004 £'000	2003 £'000
Adjustments in respect of previous periods	(14) =====	- =====

#### (b) Factors affecting current tax charge

The tax assessed for the year varies from the standard rate of corporation tax in the UK of 30%. The differences are reconciled below:

	2004 £'000	2003 £'000
Profit/(Loss) on ordinary activities before tax	119,352 =====	(60,998) =====
(Loss)/Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2003: 30%)	35,806	18,299
Effect of:		
Group dividends not taxable	(39,000)	-
Group relief (received)/surrendered	3,194	81
Exceptional item		(18,272)
Adjustments in respect of previous periods	(14)	(108)
Current tax credit for the year	(14) =====	- =====

It is anticipated that for the foreseeable future the Company will not bear current tax, as it is the policy of the Hammerson group to surrender relief without payment.

# GRANTCHESTER HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2004

### 5. INVESTMENTS

	Investments in subsidiary undertakings £'000
Cost at 1 January 2004 and 31 December 2004	305,195 =====
Net book value at 1 January 2004 and 31 December 2004	244,289 =====

#### Subsidiary undertakings

Details of the Company's principal subsidiary undertakings as at the year end are as follows. All subsidiaries are wholly owned, except where noted below:

Name	Class of share capital held	Nature of business
Grantchester Development Properties Limited (1)	Ordinary	Property development and investment
Grantchester Group plc(5)	Ordinary	Finance and property investment
Grantchester Investment Finance Company Limited(5)	Ordinary	Finance
Grantchester Investment Properties Company Limited(5)	Ordinary	Property investment
Grantchester Limited	Ordinary	Intermediate parent company
Grantchester Property Management Limited (5)	Ordinary	Property management
Grantchester Properties (Cardiff) Limited(5)	Ordinary	Property development and investment
Grantchester Properties (Catford) Limited (2)	Ordinary	Property investment
Grantchester Properties (Falkirk) Limited(5)	Ordinary	Property investment
Grantchester Properties (Gloucester) Limited(5)	Ordinary	Property development and investment
Grantchester Properties (Luton) Limited (2)	Ordinary	Property investment
Grantchester Properties (Middlesbrough) Limited(5)	Ordinary	Property investment
Grantchester Properties (Nottingham) Limited(5)	Ordinary	Property development and investment
Grantchester Properties (Port Talbot) Limited(5)	Ordinary	Property investment
Grantchester Properties (Romford A12) Limited (3)	Ordinary	Property investment
Grantchester Properties (Sunderland) Limited (5)	Ordinary	Property investment
Grantchester Securities Limited(5)	Ordinary	Finance

## GRANTCHESTER HOLDINGS LIMITED

### NOTES TO THE ACCOUNTS

Year ended 31 December 2004

#### 5. FIXED ASSET INVESTMENTS (Continued)

Grantchester Developments (Birmingham) Limited (4)	Ordinary	Property development and investment
Grantchester Developments (Norwich) Limited (4)	Ordinary	Property development and investment
Grantchester Developments (Falkirk) Limited (4)	Ordinary	Property development and investment
Westchester Property Holdings Limited (7)	Ordinary	Property investment
Westchester Properties (Thanet) Limited (6)	Ordinary	Property investment
Westchester Properties (Thanet 2) Limited (6)	Ordinary	Property investment

(1) 100% owned by Grantchester Properties (Sunderland) Ltd.

(2) 100% owned by Grantchester Securities Ltd.

(3) 100% owned by Grantchester Investment Properties Company Ltd.

(4) 100% owned by Grantchester Property Finance Ltd.

(5) 100% owned by Grantchester Limited

(6) 100% owned by Westchester Property Holdings Ltd.

(7) 50% owned by Grantchester Holdings Ltd.

All the subsidiary undertakings were incorporated in Great Britain.

#### 6. DEBTORS

	2004 £'000	2003 £'000
Amounts due from group undertakings	130,030 =====	- =====

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

	2004 £'000	2003 £'000
Amounts owed to group undertakings	215,021 =====	204,357 =====

Interest is charged at variable rates based on LIBOR on the amounts owed to the ultimate parent company

**GRANTCHESTER HOLDINGS LIMITED**

**NOTES TO THE ACCOUNTS**  
Year ended 31 December 2004

**8. SHARE CAPITAL**

	<b>2004</b>	<b>2003</b>
	<b>Number</b>	<b>Number</b>
Equity share capital Ordinary shares of 25p each		
Authorised	170,259,250	170,259,250
	=====	=====
Allotted, called up and fully paid	76,827,328	76,827,328
	=====	=====

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Authorised	42,564,814	42,564,814
	=====	=====
Allotted, called up and fully paid	19,206,832	19,206,832
	=====	=====

**9. RESERVES**

	<b>Share premium account £'000</b>	<b>Capital redemption reserve £'000</b>	<b>Other reserve £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
At 1 January 2004	9,837	50	32,435	(21,597)	20,725
Profit for the financial year	-	-	-	119,366	119,366
	-----	-----	-----	-----	-----
At 31 December 2004	9,837	50	32,435	97,769	140,091
	=====	=====	=====	=====	=====

## **GRANTCHESTER HOLDINGS LIMITED**

### **NOTES TO THE ACCOUNTS**

Year ended 31 December 2004

#### **10. CASH FLOW AND RELATED PARTY DISCLOSURE**

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

The Company is also exempt under the terms of Financial Reporting Standard 8 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 part transactions to be disclosed in the current or preceding financial year.

#### **11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

At 31 December 2004, the Company's ultimate parent company was Hammerson plc, which is incorporated in Great Britain and is the parent undertaking of the smallest and largest group to consolidate these financial statements.

At 31 December 2004, the Company's immediate parent company was Hammerson plc.

Copies of the consolidated financial statements of Hammerson plc are available from the Company Secretary, 100 Park Lane, London W1K 7AR.