

Company Number 4104262

**HAMMERSON (BICESTER NO. 2) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
Year ended 31 December 2012



## **HAMMERSON (BICESTER NO. 2) LIMITED**

### **REPORT OF THE DIRECTORS** **Year ended 31 December 2012**

The Directors' Report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

#### **1 PRINCIPAL ACTIVITIES**

The principal activity of the Company is an investment holding company in the United Kingdom. The Directors do not anticipate any significant change in activity in the foreseeable future.

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

The profit for the year after tax was £2,016,000 (2011: £1,894,000). The Directors do not recommend the payment of a dividend for the year (2011: nil).

#### **3 BUSINESS REVIEW AND FUTURE PROSPECTS**

It is expected that the Company will continue to hold an interest in Value Retail Investors Limited Partnership II, which has an interest in an investment property in Bicester, United Kingdom, for the foreseeable future.

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2012 and concluded that it was appropriate. More information is provided in note 1 to the financial statements.

#### **4 DIRECTORS**

- a) Mr A J Berger-North, Mr P W B Cole and Mr A J G Thomson were Directors of the Company throughout the year.
- b) Mr L F Hutchings resigned as a Director of the Company on 29 September 2012.
- c) Mr M Plocica was appointed as a Director of the company of the Company on the 1 October 2012.
- 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**

- a) Hammerson Company Secretarial Limited was Secretary of the Company throughout the year.

#### **6 INDEMNITY**

The Company's 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 (BICESTER NO 2) LIMITED**

**REPORT OF THE DIRECTORS**  
**Year ended 31 December 2012**

**7     AUDITOR**

BDO LLP shall be deemed to be re-appointed as auditor for a further term under the provisions of section 487(2) of the Companies Act 2006

BDO LLP have indicated their willingness to continue in office

**8     PROVISION OF INFORMATION TO THE AUDITOR**

Each of the persons who is a Director of the Company at the date of approval of this report has confirmed that

- (a)    so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (b)    he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006

By order of the Board



B Lees  
For and on behalf of  
Hammerson Company Secretarial Limited  
acting as Secretary  
Date     29 JUL 2013

Registered Office  
10 Grosvenor Street  
London W1K 4BJ  
Registered in England and Wales No 4104262

## **HAMMERSON (BICESTER NO. 2) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the annual report and 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 then apply them consistently,
- make judgements and accounting 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 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.

## **HAMMERSON (BICESTER NO. 2) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (BICESTER NO. 2) LIMITED**

We have audited the financial statements of Hammerson (Bicester No 2) Limited for the year ended 31 December 2012, 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 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's sole member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's 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 sole member for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**HAMMERSON (BICESTER NO. 2) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (BICESTER NO. 2) LIMITED (continued)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report

  
Russell Field (Senior Statutory Auditor)  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick, United Kingdom  
Date

**30 JUL 2013**

BDP LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**HAMMERSON (BICESTER NO. 2) LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2012**

	<b>Notes</b>	<b>2012 £'000</b>	<b>2011 £'000</b>
Administration expenses	2	<u>-</u>	<u>(5)</u>
Operating loss		-	(5)
Distribution from fixed asset investments		<b>1,861</b>	1,795
Net finance income	3	<u><b>155</b></u>	<u>104</u>
Profit on ordinary activities before and after taxation for the financial year	9	<u><b>2,016</b></u>	<u>1,894</u>

All amounts relate to continuing activities

**HAMMERSON (BICESTER NO 2) LIMITED****BALANCE SHEET****As at 31 December 2012**

	Notes	2012		2011	
		£'000	£'000	£'000	£'000
<b>Tangible fixed assets</b>					
Investments	5		39,831		29,840
<b>Current assets</b>					
Debtors	6	7,856		5,845	
<b>Current liabilities</b>					
Creditors amounts falling due within one year	7	-		(5)	
<b>Net current assets</b>			<u>7,856</u>		<u>5,840</u>
<b>Net assets</b>			<u>47,687</u>		<u>35,680</u>
<b>Capital and reserves</b>					
Called up share capital	8		-		-
Revaluation reserve	9		37,165		27,174
Profit and loss account	9		<u>10,522</u>		<u>8,506</u>
<b>Shareholder's funds</b>			<u>47,687</u>		<u>35,680</u>

The financial statements were approved by the Board of Directors on  
authorised for issue on **29 JUL 2013**

**29 JUL 2013** and

Signed on behalf of the Board of Directors



**A.J. BERGER-NORTH**  
**Director**  
**Company Number. 4104262**



**HAMMERSON (BICESTER NO. 2) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**For the year ended 31 December 2012**

	<b>2012</b> <b>£'000</b>	<b>2011</b> <b>£'000</b>
Profit for the financial year	<b>2,016</b>	1,894
Unrealised surplus on revaluation of investments	<b>9,991</b>	10,350
Total recognised gains and losses for the year	<b>12,007</b>	12,244

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**For the year ended 31 December 2012**

	<b>2012</b> <b>£'000</b>	<b>2011</b> <b>£'000</b>
Profit for the financial year	<b>2,016</b>	1,894
Unrealised surplus on revaluation of investments	<b>9,991</b>	10,350
Net increase in shareholder's funds	<b>12,007</b>	12,244
Shareholder's funds at 1 January	<b>35,680</b>	23,436
Shareholder's funds at 31 December	<b>47,687</b>	35,680

## **HAMMERSON (BICESTER NO. 2) LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2012**

#### **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 fixed asset investments, in accordance with all applicable law and United Kingdom accounting standards. The financial statements are in compliance with the Companies Act 2006

(b) **Going concern**

The current economic conditions have created a number of uncertainties which are likely to affect the Company's future performance. The key risks relate to investment valuations which are closely monitored by the Directors. The financial position of the Company is as set out in the Balance Sheet

The Directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about the future trading performance. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements

(c) **Net finance income**

Net finance income includes interest payable on borrowings and interest receivable on funds invested

(d) **Cash flow statement**

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 its cash flows are included in the consolidated financial statements of Hammerson plc, which are publicly available

(e) **Fixed asset investments**

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

## HAMMERSON (BICESTER NO. 2) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2012

#### 2. ADMINISTRATION EXPENSES

	2012 £'000	2011 £'000
Valuation fees	-	(5)

The average number of employees during the year, excluding Directors, was nil (2011 nil)

The Directors did not receive any remuneration for services to the Company in either the current or preceding financial year

Another group company has paid the auditors' fee for the audit of the Company's annual accounts in both the current and preceding financial year. Fees for the audit of the Company were £1,400 (2011 £1,400)

#### 3. NET FINANCE INCOME

	2012 £'000	2011 £'000
Interest receivable from ultimate parent company	155	104

#### 4. TAXATION

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 year, and this is expected to continue for the foreseeable future. The profits covered by group relief for the year ended 31 December 2012 are £155,000 (2011 £104,000)

## HAMMERSON (BICESTER NO. 2) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2012

#### 5. INVESTMENTS

- (a) The movements in the year on investments at valuation were
- |                                | £'000         |
|--------------------------------|---------------|
| At 1 January 2012              | 29,840        |
| Surplus arising on revaluation | <u>9,991</u>  |
| At 31 December 2012            | <u>39,831</u> |
- (b) Investments consist of an interest in Value Retail Investors Limited Partnership II, which has an interest in a designer outlet centre in Bicester, United Kingdom. The investment is included at its market value at 31 December 2012, valued by professionally qualified external valuers, and the property element of which has been reviewed by professionally qualified external valuers, DTZ Debenham Tie Leung, Chartered Surveyors in accordance with the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors and with IVA 1 of the International Valuation Standards. The surplus arising on revaluation has been transferred to the revaluation reserve.
- (c) This investment has not been accounted for as an associate or joint arrangement as the Company exercises no significant influence on the management of the Partnership.
- (d) The historic cost of investments at 31 December 2012 was £2,666,000 (2011 £2,666,000).

#### 6. DEBTORS

	2012 £'000	2011 £'000
Amount owed by ultimate parent company	<u>7,856</u>	<u>5,845</u>

Amounts shown under debtors fall due for payment within one year. The amount owed by the ultimate parent company bears interest at variable rates based on LIBOR.