

Company Number: 04125224

**HAMMERSON INVESTMENTS (NO. 16) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
Year ended 31 December 2014

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## **HAMMERSON INVESTMENTS (NO. 16) LIMITED**

### **REPORT OF THE DIRECTORS** **Year ended 31 December 2014**

The Directors' Report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and consequently no Strategic Report has been prepared.

#### **1. PRINCIPAL ACTIVITIES**

The principal activity of the Company is as an intermediate holding company. The Directors do not anticipate any change in the principal activity in the foreseeable future.

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

The loss for the year after tax was £232,000 (2013: £151,000). The Directors do not recommend the payment of a dividend for the year (2013: £nil).

#### **3. DIRECTORS**

- a) Mr. A.J. Berger-North and Mr. P.W.B. Cole were Directors of the Company throughout the year.
- b) Mr. A.J.G. Thomson resigned as a Director of the Company on 19 March 2014.
- c) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- d) No Director has any interests in contracts entered into by the Company.

#### **4. SECRETARY**

Hammerson Company Secretarial Limited was Secretary of the Company throughout the year.

#### **5. GOING CONCERN**

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of the net liability position on the balance sheet as at 31 December 2014 and concluded that it was appropriate. More information is provided in note 1 to the financial statements.

#### **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.

#### **7. AUDITOR**

Deloitte 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.

Deloitte LLP have indicated their willingness to continue in office.

**HAMMERSON INVESTMENTS (NO. 16) LIMITED**

**REPORT OF THE DIRECTORS**  
**Year ended 31 December 2014**

**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: 18 September 2015

Registered Office:  
Kings Place, 90 York Way,  
London, N1 9GE  
Registered in England and Wales No. 04125224

## **HAMMERSON INVESTMENTS (NO. 16) 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 INVESTMENTS (NO. 16) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON INVESTMENTS (NO. 16) LIMITED**

We have audited the financial statements of Hammerson Investments (No. 16) Limited, for the year ended 31 December 2014, which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially inconsistent based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 2014 and of its loss 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 INVESTMENTS (NO. 16) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON INVESTMENTS (NO. 16) 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 from preparing a Strategic Report or in preparing the Directors' Report.



Ian Waller (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
Date: 21 September 2015

## HAMMERSON INVESTMENTS (NO. 16) LIMITED

### PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
Net finance costs	3	(232)	(231)
Release of provision against cost of investments	5	-	80
Loss on ordinary activities before and after taxation for the financial year	8	<u>(232)</u>	<u>(151)</u>

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.

There have been no movements in shareholder's deficit during the current and preceding years other than the above loss for that year. Therefore no separate statement of movement in shareholder's deficit has been presented.

# HAMMERSON INVESTMENTS (NO. 16) LIMITED

## BALANCE SHEET

As at 31 December 2014

	Notes	2014 £'000	2013 £'000
<b>Tangible fixed assets</b>			
Investments	5	10,281	10,281
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	6	<u>(16,457)</u>	<u>(16,225)</u>
<b>Net liabilities</b>		<u>(6,176)</u>	<u>(5,944)</u>
<b>Capital and reserves</b>			
Called up share capital	7	-	-
Profit and loss account	8	<u>(6,176)</u>	<u>(5,944)</u>
<b>Shareholder's deficit</b>		<u>(6,176)</u>	<u>(5,944)</u>

These financial statements were approved by the Board of Directors on 18 September 2015 and authorised for issue on 18 September 2015.

Signed on behalf of the Board of Directors



A. J. Berger-North

Director

Company Number: 04125224



## HAMMERSON INVESTMENTS (NO. 16) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2014

#### 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 have been prepared under the historical cost convention, in accordance with applicable United Kingdom accounting standards.

##### b) Going concern

The current economic conditions have created a number of uncertainties which are likely to affect the Company's future performance. The financial position of the Company is as set out in the Balance Sheet.

The Company has net liabilities as at 31 December 2014 and is reliant on the support of its ultimate parent company, Hammerson plc, to be able to meet its liabilities as they fall due. The Directors consider that the Company is an integral part of Hammerson plc's structure and strategy and this is evidenced by a letter of support from Hammerson plc, which states its intent to provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### c) 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.

##### d) Consolidation

The Company is exempt under s400 of the Companies Act 2006 from the requirement to prepare group accounts as it is a wholly owned subsidiary of Hammerson plc, a company incorporated in Great Britain, and as such these financial statements present information about the Company and not its group.

##### e) Fixed asset investments

Fixed asset investments are stated at the balance sheet date at the lower of cost and net realisable value. Investments in the Company's subsidiaries are stated at cost less provision for impairment.

##### f) Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable at the balance sheet date, together with any adjustment in respect of previous years.

## HAMMERSON INVESTMENTS (NO. 16) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2014

#### 1. ACCOUNTING POLICIES (continued)

##### f) Taxation (continued)

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

The average number of employees during the year, excluding Directors, was nil (2013: 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 auditor's fees 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 £1,260 (2013: £1,235).

#### 3. NET FINANCE COSTS

	2014 £'000	2013 £'000
Interest payable to ultimate parent company	<u>232</u>	<u>231</u>

#### 4. TAXATION

##### a) Tax charge

	2014 £'000	2013 £'000
Tax charge on loss on ordinary activities	<u>-</u>	<u>-</u>

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

The tax assessed on the loss for the year is different from the standard rate of corporation tax of 21.5% (2013: 23.25%). The differences are reconciled below:

	2014 £'000	2013 £'000
Loss on ordinary activities before tax	<u>(232)</u>	<u>(151)</u>
Loss at UK corporation tax rate of 21.5% (2013: 23.25%)	<u>(50)</u>	<u>(35)</u>
Effect of:		
Release of provision against fixed asset investment	-	(19)
Share of Spitalfields Development Group partnership profit	4	9
Group relief surrendered for nil consideration	<u>46</u>	<u>45</u>
Total current tax	<u>-</u>	<u>-</u>

## HAMMERSON INVESTMENTS (NO. 16) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2014

#### 5. FIXED ASSET INVESTMENTS

Shares in group companies	£'000
<b>Cost</b>	
At 1 January 2014 and 31 December 2014	10,888
<b>Provision for impairment</b>	
At 1 January 2014 and 31 December 2014	(607)
<b>Net book value</b>	
At 1 January 2014 and 31 December 2014	<u>10,281</u>

The investment includes a 33.33% holding in the ordinary and preference share capital of Spitalfields Holdings Limited, a company registered in England and Wales with the same registered office as the Company. Spitalfields Holdings Limited's principal activities are holding and managing its investments in subsidiary undertakings.

Spitalfields Holdings Limited owns 100% of the issued share capital of Spitalfields Developments Limited ('SDG'), a company registered in England and Wales with the same registered office as the Company. The Company is only entitled to receive 1% of SDG's profit or loss. Based on SDG's 12-month accounting period to 31 December 2014, the Company's interest in SDG was estimated to have a value of £973,000 (2013: £953,000).

These investments are carried at cost plus associated acquisition costs. In the opinion of the Directors, at 31 December 2014 the aggregate value of these investments is not less than their carrying value in the balance sheet.

#### 6. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Amounts owed to ultimate parent company	<u>16,457</u>	<u>16,225</u>

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

#### 7. CALLED UP SHARE CAPITAL

	2014 £	2013 £
<b>Allotted, called up and fully paid:</b>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

## **HAMMERSON INVESTMENTS (NO. 16) LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2014**

#### **8. PROFIT AND LOSS ACCOUNT**

	<b>£'000</b>
At 1 January 2014	(5,944)
Loss for the financial year	<u>(232)</u>
At 31 December 2014	<u><b>(6,176)</b></u>

#### **9. ADVANCES, CREDIT AND GUARANTEES**

The Company did not grant any credits, advances or guarantees of any kind to its Directors during the year.

#### **10. RELATED PARTY DISCLOSURE**

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.

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

At 31 December 2014, the Company's ultimate parent company was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At 31 December 2014, the Company's immediate parent company was Hammerson UK Properties plc.

The consolidated financial statements of the ultimate parent company, Hammerson plc, are available from that company's registered office, Kings Place, 90 York Way, London N1 9GE.