

Company Number: 4789699

**HAMMERSON (PADDINGTON) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2013



## **HAMMERSON (PADDINGTON) LIMITED**

### **REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2013

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 property investment and development in the United Kingdom. Following the CPO compensation settlement during the year, the Directors anticipate that the Company will become dormant and cease to trade in the foreseeable future.

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

The profit for the year after tax was £1,763,000 (2012: £265,000 loss). The Directors do not recommend the payment of a dividend for the year (2012: £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. 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.

#### **6. 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.

**HAMMERSON (PADDINGTON) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2013

**7. 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: 21 May 2014

Registered Office:

10 Grosvenor Street

London W1K 4BJ

Registered in England and Wales No. 4789699

## HAMMERSON (PADDINGTON) LIMITED

### STRATEGIC REPORT

Year ended 31 December 2013

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

### BUSINESS REVIEW AND FUTURE PROSPECTS

The land at Paddington Triangle was subject to a Compulsory Purchase Order (CPO) by the Secretary of State as part of the Crossrail project. A provisional offer was made in 2010 which has now been agreed and settled in the current financial year and it is the Directors' intention for the Company to cease trading in the foreseeable future. The accounts have therefore been drawn up on a basis other than that of a going concern.

Signed on behalf of the Board of Directors

A handwritten signature in black ink, appearing to be 'A.J. Berger-North', written over a horizontal line.

A.J. Berger-North

**Director**

Date: 21 May 2014

## **HAMMERSON (PADDINGTON) 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 (PADDINGTON) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (PADDINGTON) LIMITED**

We have audited the financial statements of Hammerson (Paddington) Limited for the year ended 31 December 2013 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 auditors**

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 Financial Reporting Council's (FRC'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 FRC's 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 2013 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.

#### **Emphasis of matter - Financial statements prepared on a basis other than that of a going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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

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

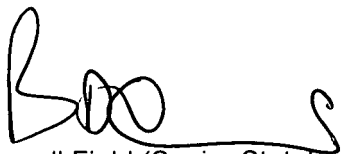
**HAMMERSON (PADDINGTON) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (PADDINGTON) 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 and Strategic Report.



Russell Field (Senior Statutory Auditor)  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick, United Kingdom  
Date: 22 May 2014

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

# **HAMMERSON (PADDINGTON) LIMITED**

## **PROFIT AND LOSS ACCOUNT**

For the year ended 31 December 2013

	<b>Notes</b>	<b>2013 £'000</b>	<b>2012 £'000</b>
Administration expenses	2	<u>(65)</u>	<u>(50)</u>
Operating loss		<b>(65)</b>	<b>(50)</b>
Gain/(Loss) on compulsory purchase of development properties	3	<u><b>1,828</b></u>	<u>(215)</u>
Profit/(Loss) on ordinary activities before and after taxation for the financial year	8	<u><b>1,763</b></u>	<u>(265)</u>

All amounts relate to discontinued operations.

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 profit/(loss) for that year. Therefore no separate statement of movements in shareholder's deficit has been presented.

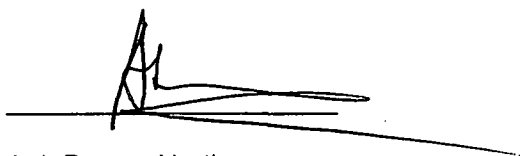


**HAMMERSON (PADDINGTON) LIMITED****BALANCE SHEET**As at 31 December 2013

	Notes	2013		2012	
		£'000	£'000	£'000	£'000
<b>Current assets</b>					
Debtors	5	<u>41</u>		<u>1,548</u>	
<b>Total current assets</b>		<b>41</b>		<b>1,548</b>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	6	<u>(4,829)</u>		<u>(8,099)</u>	
<b>Net current liabilities</b>			<b>(4,788)</b>		<b>(6,551)</b>
<b>Net liabilities</b>			<b>(4,788)</b>		<b>(6,551)</b>
<b>Capital and reserves</b>					
Called up share capital	7		-		-
Profit and loss account	8		<u>(4,788)</u>		<u>(6,551)</u>
<b>Shareholder's deficit</b>			<b>(4,788)</b>		<b>(6,551)</b>

These financial statements were approved by the Board of Directors on 21 May 2014 and authorised for issue on 21 May 2014.

Signed on behalf of the Board of Directors



A.J. Berger-North

Director

Company Number: 4789699

## HAMMERSON (PADDINGTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2013

#### 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.

The land at Paddington Triangle was subject to a Compulsory Purchase Order (CPO) by the Secretary of State as part of the Crossrail project. A provisional offer was made in 2010 which has now been agreed and settled in the current financial year and it is the Directors' intention for the Company to cease trading in the foreseeable future. The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to the net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such were committed at the balance sheet date.

##### (b) 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.

##### (c) 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.

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.

##### (d) Profits or losses on sale of properties

Profits or losses on sale of properties are taken into account on completion of contract, and are calculated by reference to the carrying value at the end of the previous year, adjusted for subsequent capital expenditure.

## HAMMERSON (PADDINGTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2013

#### 2. ADMINISTRATION EXPENSES

	2013 £'000	2012 £'000
Management fee paid to Hammerson UK Properties plc	140	50
Provision for management fee owed by Joint Trustee	(75)	-
	<u>65</u>	<u>50</u>

The average number of employees during the year, excluding Directors, was nil (2012: 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 £750 (2012: £700).

#### 3. GAIN/(LOSS) ON COMPULSORY PURCHASE OF DEVELOPMENT PROPERTIES

	2013 £'000	2012 £'000
Gross proceeds per CPO	2,125	-
Selling expenses	(297)	(215)
	<u>1,828</u>	<u>(215)</u>
Gain/(Loss) on compulsory purchase of development properties	<u>1,828</u>	<u>(215)</u>

#### 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. Profits covered by group relief for the year ended 31 December 2013 are £nil (2012: £nil).

#### 5. DEBTORS

	2013 £'000	2012 £'000
Other debtors	<u>41</u>	<u>1,548</u>

# HAMMERSON (PADDINGTON) LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2013

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

	2013 £'000	2012 £'000
Amounts owed to the ultimate parent company	4,583	7,503
Amounts owed to fellow subsidiary undertakings	246	30
Other creditors	-	566
	<u>4,829</u>	<u>8,099</u>

Amounts owed to the ultimate parent company and fellow subsidiary undertakings are repayable on demand and are non-interest bearing.

### 7. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 8. RESERVES

	Profit and loss account £'000
At 1 January 2013	(6,551)
Profit for the financial year	<u>1,763</u>
At 31 December 2013	<u>(4,788)</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 2013, 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 2013, 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, 10 Grosvenor Street, London W1K 4BJ.