

## **4 Hardman Square Retail Limited**

Report and Financial Statements

Year Ended

31 December 2013

Company Number 5875491

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# **4 Hardman Square Retail Limited**

## **Report and financial statements for the year ended 31 December 2013**

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### **Directors**

M J Ingall  
F P Graham-Watson  
S P Lyell

### **Secretary and registered office**

A Campbell, Level 5, Tower 12, 18-22 Bridge Street, Avenue North, Spinningfields, Manchester, M3 3BZ

### **Company number**

5875491

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

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## **4 Hardman Square Retail Limited**

### **Report of the directors for the year ended 31 December 2013**

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The directors present their annual report and audited financial statements of the company for the year ended 31 December 2013.

#### **Principal activities and trading review**

The principal activity of the company is property investment.

The profit and loss account is set out on page 5 and shows a loss after tax for the year of £1,055 (2012 -profit of £231,115). The company received rental income from its investment property during the year. The directors expect the company's business to continue in the following year.

#### **Directors**

The directors of the company during the financial year were:

M J Ingall  
F P Graham-Watson  
S P Lyell

#### **Directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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;
- 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.

## 4 Hardman Square Retail Limited

### Report of the directors for the year ended 31 December 2013 (*continued*)

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#### Auditors

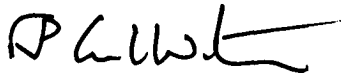
All the current directors have taken all the steps they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in the office.

#### Small companies' exemption

In preparing the directors' report advantage has been taken of the small companies' exemption provided by s415a of the Companies Act 2006.

#### On behalf of the Board



F P Graham-Watson

#### Director

Date 31 July 2014

# **4 Hardman Square Retail Limited**

## **Independent auditor's report**

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### **TO THE MEMBERS OF 4 HARDMAN SQUARE RETAIL LIMITED**

We have audited the financial statements of 4 Hardman Square Retail Limited for the year ended 31 December 2013 which comprise the profit and loss account, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds, the balance sheet and the related notes. 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 members, as a body, 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 members 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 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 explained more fully in the statement of directors' responsibilities, 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 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'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 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 matters 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.

## 4 Hardman Square Retail Limited

### Independent auditor's report (*continued*)

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#### 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 prepare the financial statements and the directors' report in accordance with the small companies' regime.



Alexander Tapp (*senior statutory auditor*)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

Date 31 July 2014

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

## 4 Hardman Square Retail Limited

### Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	164,664	167,651
Cost of sales		(18,282)	(9,841)
<b>Gross profit</b>		<b>146,382</b>	<b>157,810</b>
Administrative expenses		-	73,305
Operating profit	3	146,382	231,115
Interest payable	4	(147,437)	-
<b>Profit on ordinary activities before and after taxation and retained profit for the year</b>	5,10	<b>(1,055)</b>	<b>231,115</b>

All amounts relate to continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

# 4 Hardman Square Retail Limited

## Balance sheet at 31 December 2013

<b>Company number 5875491</b>	<b>Note</b>	<b>2013 £</b>	<b>2013 £</b>	<b>2012 £</b>	<b>2012 £</b>
<b>Fixed assets</b>					
Investment properties	6		2,500,000		2,196,555
<b>Current assets</b>					
Debtors	7	347,961		239,612	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	8	(269,109)		(43,990)	
<b>Net current assets</b>			78,852		195,622
<b>Net assets</b>			2,578,852		2,392,177
<b>Represented by:</b>					
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Revaluation reserve	10		2,081,350		1,893,620
Profit and loss account	10		497,501		498,556
<b>Shareholders' funds</b>			2,578,852		2,392,177

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors and authorised for issue on 31 July 2014.



F P Graham-Watson  
Director

The notes on pages 8 to 11 form part of these financial statements.



## 4 Hardman Square Retail Limited

### Statement of total recognised gains and losses and reconciliation of movements in shareholders' funds for the year ended 31 December 2013

	2013 £	2012 £
<b>Statement of total recognised gains and losses</b>		
(Loss) / profit for the financial year	(1,055)	231,115
Unrealised surplus on revaluation of investment properties	187,730	196,555
	<hr/>	<hr/>
Total recognised gains and losses in the year	186,675	427,670
	<hr/>	<hr/>
<b>Reconciliation of movements in shareholders' funds</b>		
(Loss) / profit for the financial year	(1,055)	231,115
Unrealised surplus on revaluation of investment properties	187,730	196,555
	<hr/>	<hr/>
Net increase in shareholders' funds	186,675	427,670
Opening shareholders' funds	2,392,177	1,964,507
	<hr/>	<hr/>
Closing shareholders' funds	2,578,852	2,392,177
	<hr/>	<hr/>

The notes on pages 8 to 11 form part of these financial statements.

## 4 Hardman Square Retail Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013

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### 1 Accounting policies

The following principal accounting policies have been applied in the preparation of these financial statements.

#### *Accounting convention*

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

#### *Turnover*

Turnover is stated net of VAT and comprises rental income, commissions and fees receivable. This is attributable to the company's principal activity wholly undertaken in the United Kingdom.

#### *Investment properties – Leasehold properties*

All investment properties are valued each year on an open market value basis and the aggregate surplus or temporary deficit arising from such revaluation is transferred to the revaluation reserve. Deficits that are expected to be permanent are taken to the profit and loss account. Acquisitions and disposals of properties are recognised where binding contracts have been exchanged during the accounting period, provided completion takes place prior to approval of the financial statements.

#### *Depreciation – Investment Properties*

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation is provided in respect of freehold properties and leasehold properties with over 20 years to run. Although the Companies Act would normally require the systematic depreciation of such assets, the Directors believe that this departure from the statutory rules is necessary for the financial statements to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation, and it is not practicable to quantify separately the amount which might otherwise have been shown.

## 4 Hardman Square Retail Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 1 Accounting policies (*continued*)

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

### 2 Turnover

	2013 £	2012 £
Rental income receivable	164,664	167,651

### 3 Operating profit

Audit fees are borne by the parent company. The company has no employees. The directors received no remuneration in the year.

### 4 Interest

	2013 £	2012 £
Interest payable	147,437	-

### 5 Taxation on profit on ordinary activities

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below

	2013 £	2012 £
(Loss) / profit on ordinary activities before tax	(1,055)	231,115
Reconciliation of current year tax charge: Profit on ordinary activities at the standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%)	245	56,623
Effects of:		
Expenses not deductible for tax purposes	-	(21,206)
Group relief receivable	(245)	(35,417)
Current tax charge for year	-	-

## 4 Hardman Square Retail Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 6 Investment properties

	Leasehold property £
At 1 January 2013	2,196,555
Unrealised surplus on revaluation of investment properties	303,445
	<hr/>
At 31 December 2013	<b>2,500,000</b>
	<hr/> <hr/>

The investment property was valued by the directors at its open market value on an existing use basis at 31 December 2013.

The historical cost of the investment property is £302,935 (2012 - £302,935).

### 7 Debtors

	2013 £	2012 £
Trade debtors	1,233	661
Other debtors	-	122
Amounts due from group undertakings	346,728	235,384
Prepayments and accrued income	-	3,445
	<hr/>	<hr/>
	<b>347,961</b>	239,612
	<hr/> <hr/>	<hr/> <hr/>

### 8 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	2,903	736
Other creditors	125,462	7,709
Accruals and deferred income	37,212	35,545
Amounts due to group undertakings	103,532	-
	<hr/>	<hr/>
	<b>269,109</b>	43,990
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## 4 Hardman Square Retail Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (continued)

### 9 Share capital

	2013 Number	Authorised 2012 Number	2013 £	2012 £
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	2013 Number	Allotted, called up and fully paid 2012 Number	2013 £	2012 £
Ordinary shares of £1 each	1	1	1	1

### 10 Reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2013	1,893,620	498,556
Retained loss for the year	-	(1,055)
Unrealised surplus on revaluation of fixed assets	187,730	-
Balance at 31 December 2013	2,081,350	497,501

### 11 Contingent liability

The company's assets have been given as security for a bank loan drawn by the parent company, Allied London Holdco Four Limited. The maximum amount of this guarantee is £7,166,666.

### 12 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement on the grounds that it is a small entity, as defined by s382 of the Companies Act 2006.

### 13 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related party disclosures", not to disclose any transactions with entities that are included in the consolidated financial statements of Allied London Properties Limited and are 100% owned.

### 14 Ultimate parent company

The company's immediate parent is Allied London Holdco Four Limited. The ultimate parent company remains Capital Holdco Limited, a company incorporated in the British Virgin Islands.