

Company Number: 3561897

**HAMMERSON LONDON WALL (GP) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2008

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## **HAMMERSON LONDON WALL (GP) LIMITED**

### **REPORT OF THE DIRECTORS** **Year ended 31 December 2008**

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

The principal activity of the Company is to act as a general partner for The London Wall Limited Partnership whose principal activity is property development and investment in the United Kingdom. On 12 March 2008 the partnership's property was sold and hence the directors anticipate that the partnership, and hence Company, will cease to trade in the foreseeable future.

#### **2. RESULTS AND DIVIDEND**

The loss for the year after tax was £13,000 (2007: £31,000 profit). The directors do not recommend the payment of a dividend (2007: £nil).

#### **3. BUSINESS REVIEW AND FUTURE PROPECTS**

It is expected that the Company will continue to be the general partner in The London Wall Limited Partnership. During the year ended 31 December 2008, The London Wall Limited Partnership sold its property and it is the directors' intention that the partnership, and hence the Company, will cease trading in the foreseeable future.

The Company, as a small company, is exempt from the requirement to report an Enhanced Business Review as required by s246 (4) of the Companies Act 1985.

#### **4. DIRECTORS**

- (a) Mr. D.J. Atkins, Mr. P.W.B. Cole, Mr. N.A.S. Hardie and Mr. A.J.G. Thomson were directors of the Company throughout the year.
- (b) Mr. J.M. Emery resigned as a director of the Company on 8 October 2008.
- (c) Mr. A.J. Berger-North, Mr. L.F. Hutchings and Mr. M.C. Jepson were appointed as directors of the Company on 8 October 2008.
- (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 interest in contracts entered into by the Company.

#### **5. SECRETARY**

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

#### **6. INDEMNITY**

In accordance with section 236 of the Companies Act 2006, 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 LONDON WALL (GP) LIMITED**

**REPORT OF THE DIRECTORS**  
**Year ended 31 December 2008**

**7. AUDITORS**

The Company has elected to dispense with the obligation to appoint auditors annually and accordingly, Deloitte LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 487(2) of the Companies Act 2006.

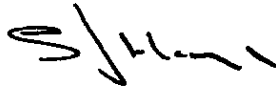
**8. PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who is a director of the Company at the date of approval of this report have confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provisions of S234ZA of the Companies Act 1985.

By order of the Board



S.J. Haydon  
Secretary

U 6 JUL 2009

Registered Office:  
10 Grosvenor Street  
London, W1K 4BJ  
Registered in England No. 3561897

## **HAMMERSON LONDON WALL (GP) LIMITED**

### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the 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). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; 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 that 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 1985. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE SOLE MEMBER OF HAMMERSON LONDON WALL (GP) LIMITED**

We have audited the financial statements of Hammerson London Wall (GP) Limited for the year ended 31 December 2008 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, the note of historical costs profits and losses and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's sole member, 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 sole member 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 sole member, for our audit work, for this report, or for the opinions we have formed.

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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgements 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.

**INDEPENDENT AUDITORS' REPORT TO THE SOLE MEMBER OF HAMMERSON LONDON WALL (GP) LIMITED (CONTINUED)**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

**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.

*Deloitte LLP*

Deloitte LLP  
Chartered Accountants and Registered Auditors  
London  
United Kingdom

*6 July 2009*

**HAMMERSON LONDON WALL (GP) LIMITED****PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2008**

	<b>Notes</b>	<b>2008 Discontinued £'000</b>	<b>2007 Discontinued £'000</b>
Gross rental income		7	36
Net rents payable and other property outgoings		(1)	(4)
Net rental income		6	32
Administration expenses		-	(1)
Loss on sale of investment properties	3	(19)	-
Net cost of finance		-	-
(Loss)/profit on ordinary activities before taxation	2	(13)	31
Taxation	4	-	-
(Loss)/profit for the financial year	10	(13)	31

Following the sale of The London Wall Limited Partnership's property on 12 March 2008, all amounts derive from discontinued operations.

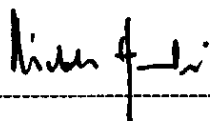
# **HAMMERSON LONDON WALL (GP) LIMITED**

## **BALANCE SHEET** **31 December 2008**

	Notes	2008 £'000	2007 £'000	2007 £'000
<b>Tangible fixed assets</b>				
Land and buildings	5	-		689
<b>Current assets</b>				
Debtors	6	259	7	
Cash and deposits		-	8	
		259	15	
<b>Creditors: amounts falling due within one year</b>	7	(15)	(29)	
<b>Net current assets/(liabilities)</b>			244	(14)
<b>Total assets less current liabilities</b>			244	675
<b>Creditors: amounts falling due after more than one year</b>	8	-		(418)
<b>Net assets</b>			244	257
<b>Capital and reserves</b>				
Called up share capital	9	-	-	
Revaluation reserve	10	-		224
Profit and loss account	10	244		33
<b>Shareholder's funds</b>			244	257

The financial statements were approved by the Board of Directors on 06 JUL 2009

Signed on behalf of the Board of Directors





**HAMMERSON LONDON WALL (GP) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**For the year ended 31 December 2008**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
(Loss)/profit for financial year	(13)	31
Unrealised deficit on revaluation of properties	-	(65)
	-----	-----
Total recognised losses for the year	(13)	(34)
	=====	=====

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**For the year ended 31 December 2008**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
(Loss)/profit for financial year	(13)	31
Unrealised deficit on revaluation of properties	-	(65)
	-----	-----
Net decrease in shareholder's surplus	(13)	(34)
Shareholder's funds at 1 January	257	291
	-----	-----
Shareholder's funds at 31 December	244	257
	=====	=====

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**  
**Year ended 31 December 2008**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Loss on ordinary activities before taxation	(13)	31
Realisation of property revaluation gains of previous years	224	-
	-----	-----
Historic cost profit on ordinary activities before taxation	211	31
	=====	=====
Historic cost profit for the financial year after taxation	211	31
	=====	=====

## **HAMMERSON LONDON WALL (GP) LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2008**

#### **1. ACCOUNTING POLICIES**

The following principal accounting policies have been applied consistently throughout the current and preceding years.

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties and other fixed asset investments in accordance with all applicable United Kingdom accounting standards. The financial statements are in compliance with the Companies Act 1985 except that, as explained below, investment properties are not depreciated.

Since 31 December 2007, The London Wall Limited Partnership sold its property and it is the directors' intention for the partnership, and hence 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 net realisable value. 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.

##### **(a) Joint arrangements**

The financial statements include the financial statements of the Company together with the Company's share of results, assets, liabilities and cash flows arising from its interest in The London Wall Limited Partnership, which is accounted for as a joint arrangement and measured according to the terms of that arrangement. The Company is exempt from the requirement to prepare group accounts, as it is a wholly owned subsidiary of Hammerson plc. The Company's results are included in the group accounts of Hammerson plc, a company incorporated in Great Britain and registered in England and Wales.

##### **(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 it is included in the consolidated financial statements of Hammerson plc, which are publicly available.

##### **(c) Net rental income**

Rent increases arising from rent reviews are taken into account when such reviews have been agreed with tenants. Where a lease incentive does not enhance the property, it is amortised over the period to the earlier of the first rent review, the first break option, or the end of the lease term. On new leases with rent-free periods, rental income is allocated evenly over the period from the date of lease commencement to the date of the first rent review. Differences between property operating expenditure incurred and that recovered from tenants through service charges are included in net rental income.

##### **(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. Deferred taxation is not discounted.

## **HAMMERSON LONDON WALL (GP) LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2008**

#### **1. ACCOUNTING POLICIES (continued)**

##### **) Profits/(loss) on sale of properties**

Profits/(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.

##### **) Investment properties** Investment properties are stated at fair value, being market value determined by professionally qualified external valuers, and any temporary changes in fair value are taken to the revaluation reserve and any permanent changes are taken to the profit and loss account.

##### **(g) Depreciation**

In accordance with Statement of Standard Accounting Practice No 19 "Accounting for investment properties", no depreciation is provided in respect of freehold properties or leasehold properties with over 20 years to expiry. This is a departure from the requirements of the Companies Act 1985, which requires all properties to be depreciated. Such properties are not held for consumption, but for investment, and the directors consider that to depreciate them would not give a true and fair view. Depreciation is only one amongst many factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The directors consider that this policy results in the accounts giving a true and fair view.

#### **2. OPERATING PROFIT**

The directors did not receive any remuneration for services to the Company in the current or preceding financial years.

The Company had no employees in either the current or preceding year.

Another group company has paid the auditors' remuneration in both the current and preceding years.

The audit fee allocated to the audit of the Company for 2008 is £2,225 (2007: £1,995). The fees have been paid by another group company in both the current and preceding years.

# **HAMMERSON LONDON WALL (GP) LIMITED**

## **NOTES TO THE ACCOUNTS** **Year ended 31 December 2008**

### **3. LOSS ON SALE OF INVESTMENT PROPERTY**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Gross proceeds on sale	674	-
Historic cost of property sold	(465)	-
Valuation surplus realised	(224)	-
	-----	-----
Deficit on carrying value	(15)	-
Selling costs	(4)	-
	-----	-----
Loss on sale of investment properties	(19)	-
	=====	=====

### **4. TAXATION**

<u>Tax charge</u>	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
UK corporation tax	-	-
	=====	=====

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 period, and this is expected to continue for the foreseeable future. Profits covered by group relief for the year ended 31 December 2008 are nil (2007: £nil).

### **5. LAND AND BUILDINGS**

(a)	The movements in the year on investment property were:	<b>Long leasehold</b> <b>£'000</b>
	At 1 January 2008	689
	Additions at cost	-
	Disposals in year	(689)
		-----
	At 31 December 2008	-
		=====

# **HAMMERSON LONDON WALL (GP) LIMITED**

## **NOTES TO THE ACCOUNTS** **Year ended 31 December 2008**

### **6. DEBTORS**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Trade debtors	-	6
Amounts owed to fellow subsidiary undertakings	259	-
Other debtors	-	1
	-----	-----
	259	7
	=====	=====

All amounts shown under debtors fall due for payment within one year.

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

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Trade creditors	-	11
Amounts owed to immediate parent company	15	7
UK REIT entry charge	-	8
Other creditors and accruals	-	3
	-----	-----
	15	29
	=====	=====

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

### **8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
Amounts owed to the limited partners of the London Wall Limited Partnership	-	418
	=====	=====

Amounts owed to the limited partners are interest-free and are repayable in the event that the Partnership, of which the Company is a general partner, is wound up. They are not repayable by instalments.

### **9. CALLED UP SHARE CAPITAL**

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
<b>Authorised:</b>		
1,000 shares of £1 each	1,000	1,000
	=====	=====
<b>Called up, allotted and fully paid:</b>		
1 ordinary share of £1	1	1
	=====	=====

## HAMMERSON LONDON WALL (GP) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2008

#### 10. MOVEMENTS ON RESERVES

	Profit and loss account £'000	Revaluation reserve £'000
At 1 January 2008	33	224
Loss retained for the year	(13)	-
Transfer to profit and loss account on disposal of investment properties	224	(224)
	<hr/>	<hr/>
Balance at 31 December 2008	244	-
	<hr/>	<hr/>

11. **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.

#### 12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

At 31 December 2008, the Company's ultimate parent company was Hammerson plc, which is incorporated in Great Britain and registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At 31 December 2008, the Company's immediate parent company was Hammerson UK Properties plc.

Copies of the consolidated financial statements of Hammerson plc, are available from that company's registered office, 10 Grosvenor Street, London W1K 4BJ.