

GRANTCHESTER PROPERTIES (LUTON) LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



GRANTCHESTER PROPERTIES (LUTON) LIMITED

COMPANY INFORMATION

Directors	P J Denby D M E Page R G Shaw
Company secretary	Hammerson Company Secretarial Limited
Registered number	03691887
Registered office	Kings Place 90 York Way London N1 9GE

GRANTCHESTER PROPERTIES (LUTON) LIMITED

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GRANTCHESTER PROPERTIES (LUTON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is property investment in the United Kingdom. On 28 June 2019, the Company disposed of its investment property. The Directors anticipate there will be residual property related activities in the foreseeable future.

Directors

The Directors who served during the year and to the date of this report were:

P J Denby (appointed 11 November 2021)
R G Shaw
W S Austin (resigned 11 November 2021)
T Cochrane (resigned 19 May 2021)
A J Dunning (appointed 11 November 2021, resigned 15 February 2022)
M R Bourgeois (resigned 11 November 2021)

D M E Page was appointed after the year end on 15 February 2022.

Going concern

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2021 and concluded that it was appropriate. More information is provided in note 2.4 to the financial statements.

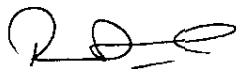
Qualifying third party indemnity provisions

The Company's ultimate parent company, Hammerson plc, has put in place 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 approval of this report.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 3 November 2022 and signed on its behalf.



P J Denby
Director

GRANTCHESTER PROPERTIES (LUTON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Rents payable and other property income		-	1
Net rental income		-	1
Operating profit		-	1
Profit before tax		-	1
Tax on profit	7	-	-
Profit for the financial year		-	1

There was no other comprehensive income for 2021 (2020: £Nil).

All amounts relate to continuing activities.

The notes on pages 5 to 8 form part of these financial statements.

GRANTCHESTER PROPERTIES (LUTON) LIMITED
REGISTERED NUMBER: 03691887

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Current assets			
Receivables	8	26,073	26,073
		<u>26,073</u>	<u>26,073</u>
Total assets less current liabilities		26,073	26,073
Net assets		26,073	<u>26,073</u>
Capital and reserves			
Called up share capital	9	-	-
Retained earnings	10	26,073	26,073
Total equity		26,073	<u>26,073</u>

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 November 2022.



P J Denby
Director

The notes on pages 5 to 8 form part of these financial statements.

GRANTCHESTER PROPERTIES (LUTON) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £000	Retained earnings £000	Total equity £000
At 1 January 2020	-	26,072	26,072
Comprehensive income for the year			
Profit for the year	-	1	1
Total comprehensive income for the year	-	1	1
At 1 January 2021	-	26,073	26,073
Comprehensive income for the year			
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2021	-	26,073	26,073

The notes on pages 5 to 8 form part of these financial statements.

GRANTCHESTER PROPERTIES (LUTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Grantchester Properties (Luton) Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The address of the registered office is Kings Place, 90 York Way, London, N1 9GE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest thousand.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Hammerson plc into which the Company is consolidated. The financial statements of Hammerson plc are publicly available and can be obtain as described in note 11.

2.3 Impact of new international reporting standards, amendments and interpretations

There are no amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2021 that have had a material impact on the Company.

GRANTCHESTER PROPERTIES (LUTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Going concern

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 financial statements.

2.5 Net rental income

Rental income from investment property leased out under an operating lease is recognised in the Statement of Comprehensive Income on a straight-line basis over the lease term. Non-rental income such as car park or commercialisation income or contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the period in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

Lease incentives and costs associated with entering into tenant leases are amortised over the lease term or, if the probability that the break option will be exercised is considered high, over the period to the first break option.

Property operating expenses, including any operating expenditure not recovered from tenants through service charges, are charged to the Statement of Comprehensive Income as incurred.

2.6 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at the transaction price (including transaction costs). Financial assets, including intercompany loans, are subsequently carried at amortised cost using the effective interest method, less loss allowance. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

GRANTCHESTER PROPERTIES (LUTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The Directors do not consider there to be any material judgements or key sources of estimation uncertainty.

4. Net rental income

	2021 £000	2020 £000
Other property income	-	1
Net rental income	-	1

5. Auditor's remuneration

Another group company paid the auditors' fees for the audit of the Company's annual financial statements in the prior year. Fees for the audit of the Company in the prior year were £900.

6. Employees

The Company had no employees other than the Directors during the current or prior year.

The Directors did not receive any remuneration for their services from the Company in the year (2020: £Nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of this disclosure. In addition there were no payments to key management personnel in either the current or preceding financial year.

7. 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 current or preceding year, and this is expected to continue for the foreseeable future. The profits covered by group relief for the year ended 31 December 2021 are £Nil (2020: £Nil).

GRANTCHESTER PROPERTIES (LUTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8. Receivables

	2021 £000	2020 £000
Amounts owed by ultimate parent company	<u>26,073</u>	<u>26,073</u>

All amounts shown under receivables fall due for payment within one year and are repayable on demand. The amounts owed are unsecured. Amounts owed by the ultimate parent company are repayable on demand and are non-interest bearing.

9. Called up share capital

	2021 £	2020 £
Authorised		
100 (2020: 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 (2020: 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

10. Reserves

The following describes the nature and purpose of each reserve within equity:

Retained earnings

The reserve represents cumulative profits and losses less any dividends paid.

11. Controlling party

At the end of the current and preceding year, the Company's ultimate parent company and controlling party was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At the end of the current and preceding year, the Company's immediate parent company was Grantchester Limited, which is registered in England and Wales.

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.