

Company Number: 3768306

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2000



HAMMERSON BIRMINGHAM PROPERTIES LIMITED

Board of Directors

Mr. R.J.G. Richards
Mr. J.A.W. Dodds
Mr. G.H. Wright

Secretary and Registered Office


Mr. S.J. Haydon
100 Park Lane
London W1K 7AR

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 100 Park Lane, London W1K 7AR on 25 June 2001 for the following purposes:

1. To receive the report of the directors and financial statements for the year ended 31 December 2000.
2. To reappoint Deloitte & Touche as auditors of the Company.
3. To authorise the directors to fix the remuneration of the auditors.

By order of the Board



S.J. Haydon
Secretary
25 June 2001

Registered Office:
100 Park Lane
London W1K 7AR
Registered in England and Wales No. 3768306

Notes:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. That proxy need not also be a member of the Company. Any instrument appointing a proxy must be deposited at the Company's Registered Office by not later than 48 hours before the time fixed for the meeting.

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

REPORT OF THE DIRECTORS

Year ended 31 December 2000

1. PRINCIPAL ACTIVITIES

The principal activity of the Company is property development and investment in the United Kingdom.

2. RESULTS AND DIVIDEND

The Company made a profit during the year of £6,000 (period from 12 May 1999 to 31 December 1999: £ Nil). No dividend was paid or proposed during the year (period from 12 May 1999 to 31 December 1999: £ Nil).

3. REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company holds a third of each of Martineau (GP) Limited, Martineau Galleries (GP) Limited and Bull Ring (GP) Limited, which are the general partners of the Martineau Limited Partnership, the Martineau Galleries Limited Partnership and the Bull Ring Limited Partnership respectively, the principal businesses of which are to develop and hold for investment Martineau Galleries Shopping Centre and the Bull Ring Shopping Centre in Birmingham. The directors anticipate that there will be no change to current levels of activity in the foreseeable future.

4. DIRECTORS

- (a) Mr. R.J.G. Richards, Mr. J.A.W. Dodds and Mr. G.H. Wright were directors of the Company throughout the year.
- (b) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.
- (c) On 31 December 2000 Mr. R.J.G. Richards was a director of the Company's ultimate parent company, Hammerson plc, in whose financial statements his interests in the shares of that company are given. On 31 December 2000, Mr. J.A.W. Dodds and Mr. G.H. Wright were directors of the Company's immediate parent company, Hammerson UK Properties plc, in whose financial statements their interests in the shares of the Company's ultimate parent company, Hammerson plc, are given.
- (d) None of the directors have any interests in the shares of the Company or any other group company except as noted above.
- (e) No director has any interest in contracts entered into by the Company.

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

REPORT OF THE DIRECTORS

Year ended 31 December 2000

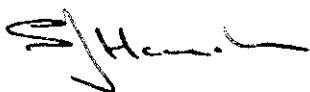
5. SECRETARY

Miss C.F. Carson resigned as Secretary on 8 September 2000. Mr. S.J. Haydon was appointed as Secretary on 8 September 2000.

6. AUDITORS

Deloitte & Touche have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1985 and a resolution proposing their reappointment will be put to the members at the Annual General Meeting.

By order of the Board



S.J. Haydon
Secretary
25 June 2001

Registered Office:
100 Park Lane
London W1K 7AR
Registered in England and Wales No. 3768306

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

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

The directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the financial year.

The directors ensure that in preparing financial statements, suitable accounting policies have been applied consistently, reasonable and prudent judgements and estimates made, applicable accounting standards have been followed, and that it is appropriate to use the going concern basis.

The directors are responsible for maintaining adequate accounting records so as to enable them to comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 6 to 10 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Hill House
1 Little New Street
London
EC4A 3TR

Chartered Accountants
and Registered Auditors
25 June 2001
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HAMMERSON BIRMINGHAM PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2000

	Note	Year ended 31 December 2000 £'000	Period 12 May 1999 to 31 December 1999 £'000
Gross rental income	1(c)	9	-
Rents payable and other property outgoings		(4)	-
		-----	-----
Operating profit - net rental income		5	-
Interest received and similar income		1	-
		-----	-----
Retained profit on ordinary activities before and after taxation		6	-
		=====	=====

All activities for the year derive from continuing operations.

There were no movements on shareholders' funds or gains and losses in the current year or preceding financial period other than the profit shown above. Consequently, a separate statement of total recognised gains and losses and a reconciliation of movements in shareholders' funds are not presented.

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

BALANCE SHEET

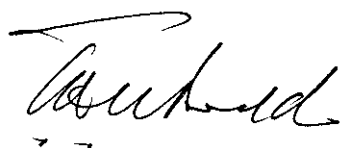
as at 31 December 2000

	Note	2000 £'000	£'000	1999 £'000	£'000
Fixed assets	3		360		249
Investments	4		2		2
			-----		-----
Current assets			362		251
Cash at bank and in hand		12		22	
Investments	5	8		18	
Debtors	6	146		159	
		-----		-----	
		166		199	
Creditors: amounts falling due within one year	7	(522)		(450)	
		-----		-----	
Net current liabilities			(356)		(251)
			-----		-----
Net assets			6		-
			=====		=====
Capital and reserves			-		-
Called up share capital	8		-		-
Profit and loss account			6		-
			-----		-----
Equity shareholders' funds			6		-
			=====		=====

The financial statements were approved by the Board of Directors on 25 June 2001.

Signed on behalf of the Board of Directors

Director



HAMMERSON BIRMINGHAM PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with all applicable accounting standards and are in compliance with the Companies Act 1985.

(b) Consolidation

The financial statements of the Company present information about it as an individual undertaking and not about its group. The Company is exempt from the requirement to prepare group accounts, as it is a wholly owned subsidiary of Hammerson plc, a company registered in England and Wales.

(c) Rental income

Rent increases arising from rent reviews due during the year are taken into account only to the extent that such reviews have been agreed with tenants at the accounting date. For newly developed properties, or other new leases, rental income is spread evenly over the period from the point at which the property is ready for its intended use to the date of the first rent review.

(d) Investments

Investments are held at cost less provision for impairment.

2. ADMINISTRATION EXPENSES

The directors did not receive any remuneration for services to the Company in the current financial year or preceding period. The company has no employees. The auditors' remuneration has been paid by another group company in both the current financial year and preceding period.

3. LAND AND BUILDINGS

	2000
	Long leasehold
	£'000
At cost	
At 1 January 2000	249
Additions	111

At 31 December 2000	360
	=====

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

4. FIXED ASSET INVESTMENTS

On 21 July 1999 the company acquired 33.33% of the issued ordinary share capital of each of Bull Ring (GP) Limited, Martineau (GP) Limited and Martineau Galleries (GP) Limited. The investments are included in the accounts at the cost of £600 each.

5. CURRENT ASSET INVESTMENTS

	2000 £'000	1999 £'000
Investments – listed on recognised stock exchanges in Great Britain	8	18
	<u>8</u>	<u>18</u>
Market value of listed investments at 31 December 2000	8	18
	<u>8</u>	<u>18</u>

Investments with a carrying value of £10,000 were sold during the year. No profit or loss was made on the sale.

6. DEBTORS

	2000 £'000	1999 £'000
Amounts owed by subsidiary undertakings	140	159
Other debtors	6	-
	<u>146</u>	<u>159</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £'000	1999 £'000
Amount owed to ultimate parent company	13	23
Other creditors	509	427
	<u>522</u>	<u>450</u>

HAMMERSON BIRMINGHAM PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

8. CALLED UP SHARE CAPITAL

	2000	1999
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

9. CASH FLOW AND RELATED PARTY DISCLOSURE

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. The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Hammerson plc group.

In the opinion of the directors there are no other related party transactions to be disclosed during the current year or preceding financial period.

10. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is Hammerson UK Properties plc. Copies of its financial statements are available from that company's registered office, 100 Park Lane, London W1K 7AR.

The ultimate parent company and controlling party is Hammerson plc, which is registered in England and Wales. Copies of its financial statements are available from that company's registered office, 100 Park Lane, London W1K 7AR.