

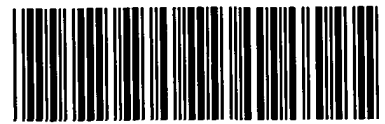
**Hutchison Property Group (UK) Limited**

**Annual report and financial statements**

**for the year ended 31 December 2022**

Registered number: 04004453

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## **Hutchison Property Group (UK) Limited**

### **Annual report and financial statements** **For the year ended 31 December 2022**

<b>Contents</b>	<b>Page/(s)</b>
<b>Directors' report</b>	<b>1-2</b>
<b>Directors' responsibilities statement</b>	<b>3</b>
<b>Independent auditor's report</b>	<b>4-7</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Statement of changes in equity</b>	<b>10</b>
<b>Notes to the financial statements</b>	<b>11-19</b>

## **Hutchison Property Group (UK) Limited**

### **Directors' report**

The directors present their Annual Report and the audited financial statements of the Company for the year ended 31 December 2022. The directors have taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

#### **Principal activities and review of the business**

The Company's principal activities during the year were provision of services related to the building development and management. The Company charged project management fees and sales consultancy fees to Circadian Limited, and rental collection fees and letting agent fees to Albion Riverside Commercial Limited. No change in the activities of the Company is anticipated in 2023. The directors are satisfied with the level of business and year-end financial position of the Company. The Company's future operations are expected to remain in line with the current year.

#### **Results and dividends**

The results and financial position of the Company for the year ended 31 December 2022 are set out in the financial statements. No interim dividend was paid during the year (2021: nil) and the directors do not recommend the payment of a final dividend (2021: nil).

Profit for the financial year of £367,583 (2021: £108,278) has been transferred to reserves. The revenue is £7,475,271 (2021: £6,615,888). The Company has net assets of £1,779,121 (2021: £1,411,538).

#### **Principal risks and uncertainties**

The key business risks and uncertainties affecting the Company are considered to relate to the external economic climate and demands in both commercial and residential property sectors.

The Company has strong internal controls across the business to manage and mitigate the principal risks and uncertainties. These are updated regularly as part of an ongoing continuous improvement programme.

The crisis in Ukraine and the financial sanctions against Russia announced by the UK Government may interrupt supplies of commodities, oil, gas and electricity. This has contributed to the increase in cost of living with the rising cost of energy and has led to inflation hitting record high in 40 years. At this point in time, there has been no material impact to ongoing activities. However, the Company continues to closely monitor the position and assess any possible impacts on the going concern of the Company.

#### **Financial risk management**

The management manages and assesses the exposure to the following financial risks by the Company to ensure appropriate measures are implemented on a timely and effective manner.

##### **(i) Credit risk**

The Company has no significant concentrations of credit risk with third parties.

##### **(ii) Interest rate risk**

The Company has no significant interest bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

##### **(iii) Liquidity risk**

The Company manages liquidity risk by ensuring that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through management of resources and operating cash flows.

#### **Going concern**

The Company has recorded a profit of £367,583 (2021: £108,278) in the year and has net current assets of £1,663,266 (2021: £1,262,622) and net assets of £1,779,121 (2021: £1,411,538). The directors have assessed financial forecasts and have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

## **Hutchison Property Group (UK) Limited**

### **Directors' report (continued)**

#### **Going concern (continued)**

Since the COVID-19 restrictions were lifted on 24 February 2022, the directors do not currently anticipate material disruption or impact to business arising from COVID-19 and the Company continues to enjoy the support of its shareholder and group companies.

#### **Directors**

The following held office as directors during the year and up to the date of signing the financial statements:

Ezra Pau  
Eirene Yeung  
Raymond Chow  
Raymond Tam  
Edmond Ho

None of the directors (2021: nil) had any interests in the shares of the Company during the year.

No director beneficially owns any of the ordinary shares or share options of the Company or has had a material interest in contracts of any significance during or at the end of the year.

Directors' and officers' liability insurance and qualifying third party indemnity are provided to the directors of the Company by another company within the CK Asset Holdings group. The CK Asset Holdings group is defined as CK Asset Holdings Limited and its subsidiaries.

#### **Statement of disclosure of information to auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditor are unaware; and
- The director has taken all 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 s418(1) to (4) of the Companies Act 2006.

#### **Independent auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed to the shareholder.

Approved by the Board and signed on its behalf by:



Raymond Chow  
Director

25 September 2023

## **Hutchison Property Group (UK) Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments 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.

## **Hutchison Property Group (UK) Limited**

### **Independent auditor's report to the members of Hutchison Property Group (UK) Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Hutchison Property Group (UK) Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Hutchison Property Group (UK) Limited**

### **Independent auditor's report to the members of Hutchison Property Group (UK) Limited (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

## **Hutchison Property Group (UK) Limited**

### **Independent auditor's report to the members of Hutchison Property Group (UK) Limited (continued)**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



## **Hutchison Property Group (UK) Limited**

### **Independent auditor's report to the members of Hutchison Property Group (UK) Limited (continued)**

#### **Use of our report**

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.



Andy Siddorns, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom

25 September 2023

## Hutchison Property Group (UK) Limited

### Profit and loss account

For the year ended 31 December 2022

	Notes	2022 £	2021 £
<b>Turnover</b>		7,475,271	6,615,888
Cost of sales		(5,306,075)	(4,699,195)
<b>Gross profit</b>		2,169,196	1,916,693
Administrative expenses		(1,719,675)	(1,780,265)
Other operating income	4	919	-
<b>Operating profit</b>	5	450,440	136,428
Interest receivable and similar income	8	10,356	493
<b>Profit before taxation</b>		460,796	136,921
Tax on profit	9	(93,213)	(28,643)
<b>Profit for the financial year and total comprehensive Income</b>		<u>367,583</u>	<u>108,278</u>

All results are from continuing operations.

The Company has no recognised gains and losses other than the loss for the financial years above and therefore no separate statement of total comprehensive income has been presented.

The notes on pages 11 to 19 form part of these financial statements.

## Hutchison Property Group (UK) Limited


### Balance sheet

As at 31 December 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	10	128,107	151,200
<b>Current assets</b>			
Debtors	11	3,961,876	2,617,829
Cash at bank and in hand		1,472,881	2,032,316
		5,434,757	4,650,145
<b>Creditors: amounts falling due within one year</b>	12	(3,771,491)	(3,387,523)
<b>Net current assets</b>		1,663,266	1,262,622
<b>Total assets less current liabilities</b>		1,791,373	1,413,822
<b>Creditors: amounts falling due after more than one year</b>			
Deferred tax liabilities	13	(12,252)	(2,284)
<b>Net assets</b>		1,779,121	1,411,538
<b>Capital and reserves</b>			
Called up share capital	14	1	1
Profit and loss account		1,779,120	1,411,537
<b>Shareholder's funds</b>		1,779,121	1,411,538

The financial statements of Hutchison Property Group (UK) Limited (04004453) were approved by the Board of Directors and authorised for issue on 25 September 2023. They were signed on its behalf by:

  
Raymond Chow  
Director

  
Raymond Tam  
Director

The notes on pages 11 to 19 form part of these financial statements.

## Hutchison Property Group (UK) Limited

### Statement of changes in equity For the year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total £
Balance as at 1 January 2021	1	1,303,259	1,303,260
Profit for the year and total comprehensive income	-	108,278	108,278
Balance as at 31 December 2021	1	1,411,537	1,411,538
Profit for the year and total comprehensive income	-	367,583	367,583
Balance as at 31 December 2022	1	1,779,120	1,779,121

The notes on pages 11 to 19 form part of these financial statements.

## Hutchison Property Group (UK) Limited

### Notes to the financial statements

For the year ended 31 December 2022

#### 1. Accounting policies

The principal accounting policies of the Company, which have been applied consistently during the current and previous years, are as follows:

##### a. General information and basis of accounting

Hutchison Property Group (UK) Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is Hutchison House, 5 Hester Road, Battersea, London, SW11 4AN, United Kingdom. The nature of the Company's operation and its principal activities are set out in the Directors' report on pages 1 to 2.

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 issued by the Financial Reporting Council and the Companies Act 2006.

The functional and presentational currency of the Company is considered to be pounds sterling because this is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, for financial instruments, remuneration of key management personnel and cash flow statement. The Company is consolidated in the financial statements of its ultimate parent undertaking and controlling party, CK Asset Holdings Limited and its registered address is disclosed in note 18.

##### b. Turnover

Turnover represents net invoiced sales of services, excluding value added tax. Revenue from the sale of services is recognised as the services are performed.

##### c. Interest receivable

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### d. Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation. Depreciation of tangible assets is provided at rates calculated to write off their costs over their estimated useful lives on a straight-line basis at the following annual rates:

Motor vehicles	20%
Plant and equipment	20% - 33.33%
Fixtures and fittings	14.29%

The carrying value of tangible assets is reviewed for impairment in periods when events or changes in circumstances indicate the carrying value may not be recoverable.

##### e. Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

##### f. Going concern

The Company has recorded a profit of £367,583 (2021: £108,278) in the year and has net current assets of £1,663,266 (2021: £1,262,622) and net assets of £1,779,121 (2021: £1,411,538). The directors have assessed financial forecasts and have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 1. Accounting policies (continued)

##### g. Foreign currency

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction, except when covered by a forward exchange contract when the contracted rate is used.

Balances at the year-end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

##### h. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). If an arrangement constitutes a financial transaction, the financial asset and financial liability are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### i. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

###### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

###### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### j. Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

## **Hutchison Property Group (UK) Limited**

### **Notes to the financial statements (continued)**

For the year ended 31 December 2022

#### **1. Accounting policies (continued)**

##### **k. Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax assets are measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### **l. Accrued income**

Accrued income relates to any sales that are not invoiced before year end.

##### **m. Pensions**

The Company contributed towards employees' defined contribution pension schemes. Contributions payable for the year are charged to the profit and loss account. The Company provides no other post-retirement benefit to its employees.

##### **n. Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in income in the period in which it becomes receivable.

##### **o. Management services**

Where the Company has acted as an estate management agent, the income and expense for the service charge are presented net in the profit and loss account.

#### **2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources, for example, accruals. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and 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 current and future periods. The directors have not identified any critical accounting judgements or key sources of estimation uncertainty this year.

#### **3 Turnover**

The Company's activities consist solely of building project development and management in the United Kingdom.

## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 4. Other operating income

	2022 £	2021 £
Sale of obsolete work mobile phones	919	-

#### 5. Operating profit

Operating profit is stated after charging/(crediting) the following:

	2022 £	2021 £
Depreciation – owned assets (note 10)	40,156	30,280
Fees payable for auditing of the financial statements	17,156	13,160
Directors' emoluments and other benefits (note 6)	338,411	329,030
Foreign currency (gain)/loss	(767)	4
Operating lease – land and building	263,430	263,430

There were no non-audit services provided by the auditor to the Company in either period.

#### 6. Directors' emoluments

	2022 £	2021 £
Aggregate emoluments for 1 director (2021: 1 director)	338,411	329,030

No fees or other emoluments were paid to the other directors in respect of their services to the Company during the year (2021: nil). The other directors are remunerated through other group companies and a proportionate amount cannot be determined for their work for this Company.

#### 7. Employee information

	2022 £	2021 £
Wages and salaries	4,660,974	4,321,791
Social security costs	552,516	534,400
Other pension costs (note 16)	780,100	639,255
	5,993,590	5,495,446

Average monthly number of employees employed including director:

	2022 Number	2021 Number
Director	1	1
Project	25	30
Development and marketing	8	5
Administration	14	15
	48	51



## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 8. Interest receivable and similar income

	2022 £	2021 £
Bank interest income	10,356	493

#### 9. Tax on profit

##### (a) Analysis of tax in the year

	2022 £	2021 £
<b>Current tax:</b>		
UK corporation tax on profit for the year at 19% (2021: 19%)	(91,145)	(25,317)
Adjustments in respect of prior years	7,900	46,245
	(83,245)	20,928
<b>Deferred tax:</b>		
Origination and reversal of temporary differences (note 13)	(9,247)	(3,326)
Adjustments in respect of prior years	-	(46,245)
Effect of change in tax rate	(721)	-
	(9,968)	(49,571)
<b>Tax charge on profit</b>	<b>(93,213)</b>	<b>(28,643)</b>

##### (b) Factors affecting current tax charge for the year

The tax charge assessed for the year is higher (2021: higher) than that resulting from applying the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit before taxation	460,796	136,921
Taxation charge at 19% (2021: 19%)	(87,551)	(26,015)
Effects of:		
Adjustments in respect of prior years	7,900	-
Expenses not deductible for tax purposes	(1,734)	(1,766)
Capital allowance in (shortage)/excess of depreciation	(1,860)	2,464
Origination and reversal of timing differences	(9,247)	(3,326)
Effect of change in tax rate	(721)	-
<b>Total tax</b>	<b>(93,213)</b>	<b>(28,643)</b>

## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 9 Tax on profit (continued)

The corporation tax rate in the UK remained at 19% for 2022 (2021: 19%). Accordingly, the Company's profits for this financial year are taxed at an effective rate of 19% (2021: 19%).

Finance Bill 2021 enacted provisions to increase the main rate of UK corporation tax to 25% from 1 April 2023 and introduced a small profits rate set at 19% for companies with profits up to £50,000, along with associated companies rules.

#### 10. Tangible assets

	Fixtures and fittings £	Motor vehicles £	Plant and equipment £	Total £
<b>Cost</b>				
At 1 January 2022	488,528	30,139	211,783	730,450
Additions during the year	-	-	17,513	17,513
Disposals during the year	-	-	(600)	(600)
At 31 December 2022	488,528	30,139	228,696	747,363
<b>Accumulated depreciation</b>				
At 1 January 2022	399,733	25,619	153,898	579,250
Charge for the year	16,497	4,520	19,139	40,156
Disposals during the year	-	-	(150)	(150)
At 31 December 2022	416,230	30,139	172,887	619,256
<b>Net book value</b>				
At 31 December 2022	72,298	-	55,809	128,107
At 31 December 2021	88,795	4,520	57,885	151,200

#### 11. Debtors

	2022 £	2021 £
Tax recoverable		1,679
Amounts due from group undertakings	15,696	2,235
Amounts due from related entities (note 17)	48,552	16,486
Other debtors	22,027	14,804
Prepayments	134,980	93,281
Accrued income	3,740,621	2,489,344
	<u>3,961,876</u>	<u>2,617,829</u>

All debtors are due within one year. Within prepayments and accrued income is £3,740,621 (2021: £2,489,344) of accrued income in respect of group undertakings and related entities.

The amounts due from fellow group undertakings and fellow related entities are unsecured, interest free and repayable on demand.

## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 12. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	157,653	77,250
Amounts owed to group undertaking	1,348,266	1,314,418
Amounts owed to related entities (note 17)	867,315	683,350
Corporation tax payable	14,558	-
VAT payable	335,987	424,808
Other taxation and social security	245,325	238,019
Accruals	802,387	649,678
	<u>3,771,491</u>	<u>3,387,523</u>

The amounts owed to immediate parent group undertaking and fellow related entities are unsecured, interest free and repayable on demand.

#### 13. Deferred tax

	2022 £	2021 £
Depreciation in excess of capital allowances	<u>(12,252)</u>	<u>(2,284)</u>
At 1 January	(2,284)	47,287
Effect of change in tax rate (note 9)	(721)	-
Deferred tax of 25% (2021: 19%) for the financial year (note 9)	<u>(9,247)</u>	<u>(49,571)</u>
At 31 December	<u>(12,252)</u>	<u>(2,284)</u>

#### 14. Called up share capital

	2022 £	2021 £
Allotted and fully paid:		
1 (2021: 1) ordinary share of £1 each	<u>1</u>	<u>1</u>

## Hutchison Property Group (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2022

#### 15. Operating lease commitments

At 31 December, the Company had non-cancellable future operating lease commitments as follows:

	<b>Land and buildings</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	202,522	254,430
Within two to five years	1,053,720	1,017,720
Over five years	1,668,390	1,865,820
	<u>2,924,632</u>	<u>3,137,970</u>

#### 16. Pension costs

The Company operates a defined contribution personal pension plan. The pension plan is voluntary. The Company's employees have the option to join the scheme on completion of the probationary period.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Pension costs for the financial year	<u>780,100</u>	<u>639,255</u>

The pension amounts payable is £202,291 (2021: £132,429).

#### 17. Related party transactions

During the year, the Company charged project management fees of £4,243,655 (2021: £3,803,209), sales consultancy fees of £136,261 (2021: £79,335) and professional fee income of £950 (2021: £3,000) to Circadian Limited, a subsidiary of CK Asset Holdings Limited, and had accrued income of £2,236,752 (2021: £1,021,189) at the year end from the same company. In addition, at the balance sheet date, included in amounts due from related entities is £42,109 (2021: £16,293) with Circadian Limited.

During the year, the Company invoiced rental collection fees of £53,561 (2021: £71,160) and letting agent fees of £60,999 (2021: £6,669) to Albion Riverside Commercial Limited, and had accrued income of £15,448 (2021: nil) at year end from the same company.

During the year, the Company incurred rental expenses and car park rental expenses totalling £263,430 (2021: £263,430) that were payable to Albion Riverside Commercial Limited.

During the year, the Company charged professional fee income of £2,870 (2021: £10,130) to Albion Properties Limited.

At the balance sheet date, included in amounts owed to related entities is £867,315 (2021: £683,350) due to Albion Riverside Commercial Limited. Included in amounts due from related entities is £3,764 (2021: £184) due from Albion Properties Limited and £2,679 (2021: £9) due from Albion Residential Limited. Albion Riverside Commercial Limited, Albion Properties Limited and Albion Residential Limited are all subsidiaries of CK Asset Holdings Limited.

The Company has taken advantage of the exemption contained in S33.1A of FRS 102 "Related party disclosures" from disclosing related party transactions within the group.

## **Hutchison Property Group (UK) Limited**

### **Notes to the financial statements (continued)**

For the year ended 31 December 2022

#### **18. Immediate and ultimate parent undertaking**

The immediate parent undertaking of the Company is Hutchison UK Property Holdings Limited, a company incorporated in the British Virgin Islands.

The Company's ultimate parent undertaking and controlling party is CK Asset Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited and incorporated in the Cayman Islands. The address of the registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The group financial statements of CK Asset Holdings Limited, which is both the largest and smallest group into which the financial results of the Company are consolidated, can be obtained from 7<sup>th</sup> Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.