

VICARAGE FIELDS (BARKING) LIMITED

Registered Number 4359934

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

FRIDAY



AZXBBSDX

A49

24/08/2007

672

COMPANIES HOUSE

VICARAGE FIELDS (BARKING) LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 DECEMBER 2006

Principal activities

The Company acted as the general partner in Vicarage Fields Partnership. The properties of this Partnership were sold in 2005, and thereafter the Partnership ceased to trade. The Company has no other interests outside the Partnership.

Results and dividends

The Company's results for the year under review are as detailed in the income statement as shown in these accounts.

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2006 (2005 £nil).

Directors

The Directors who served during the year were as follows:

Name

S P de Albuquerque (Alternate to P E Mackey)
E D Glover (Alternate to T G Thorp)
C J Huxtable
P E Mackey
A D J Moffat
T G Thorp

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the UK Companies Act 1985. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors.

Directors' interests

The terms of a number of Employee Benefit Trusts provide that all employees of HSBC Holdings plc and any of its subsidiary undertakings are potential beneficiaries of the Trusts. As potential beneficiaries of the Trusts, each Director of the Company is deemed to have a technical interest in all of the HSBC Holdings plc ordinary shares of US\$0.50 each held by the Trusts. At 31 December 2006 the Trusts held a total of 133,346,569 ordinary shares of US\$0.50 each (1 January 2006: 130,812,676).

None of the Directors at 31 December 2006 had any other interests in the shares of the Company or in the securities of any other Company in the group of which it is a member, required to be disclosed under the Companies Act 1985.

Supplier payment policy

The Company subscribes to the Better Payment Practice Code, the four principles of which are: to agree payment terms at the outset and stick to them; to explain payment procedures to suppliers; to pay bills in accordance with any contract agreed with the supplier or as required by law; and to tell suppliers without delay when an invoice is contested and settle disputes quickly. Copies of, and information about, the Code is available from The Department of Trade and Industry, No. 1 Victoria Street, London SW1H 0ET.

VICARAGE FIELDS (BARKING) LIMITED

REPORT OF THE DIRECTORS (continued)

Disclosure of information to auditors

Each person 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 is unaware, and the Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given pursuant to section 234ZA of the UK Companies Act 1985 and should be interpreted in accordance therewith.

Statement of directors' responsibilities in relation to financial statements

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities, is made with a view to distinguishing for the shareholder the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The financial statements are required by law to present fairly the financial position and the performance of the Company. The Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

By order of the Board



L J Jenkinson
Secretary

25 April 2007

Registered Office
8 Canada Square
London
E14 5HQ

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VICARAGE FIELDS (BARKING) LIMITED

We have audited the financial statements on pages 4 to 7

This report is made solely to the company's members, as a body, 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 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

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with 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 2006 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Audit Plc
Chartered Accountants
Registered Auditor

25 April 2007
8 Salisbury Square
London
EC4Y 8BB

VICARAGE FIELDS (BARKING) LIMITED

INCOME STATEMENT

for the year ended 31 December 2006

During the current financial year and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, during those years, the Company made neither a profit nor a loss.

VICARAGE FIELDS (BARKING) LIMITED

BALANCE SHEET as at 31 December 2006

	Notes	2006 £	2005 £
Assets			
Investments		1	1
Liabilities			
Amounts due to group undertaking		(1)	(1)
Net Assets		<u>-</u>	<u>-</u>
Equity			
Called up share capital	6	1	1
Retained earnings		(1)	(1)
Equity shareholders' funds		<u>-</u>	<u>-</u>

The financial statements on pages 4 to 7 were approved by the Board of Directors on 25 April 2007, and signed on its behalf by


P E Mackey
Director

VICARAGE FIELDS (BARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2006

1 Accounting policies

(a) *Statement of Compliance*

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations as adopted by the EU ("Adopted IFRSs"). The principal accounting policies of the Company are set out below and have been consistently applied to all the years presented, unless otherwise stated.

(b) *Basis of preparation*

The financial statements are prepared on a historical cost basis and are presented in Sterling.

The preparation of financial statements in conformity with IFRS's requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 following adopted IFRS was available for early application but has not been applied by the Company in these financial statements:

IFRS 7 'Financial instruments: Disclosures'

Effective from 1 January 2007. The application of IFRS 7 in 2006 would not have affected the balance sheet or income statement as the standard is concerned only with disclosure. The Company plans to adopt it in 2007.

(c) *Revenue*

Revenue comprises the Company's share of partnership profits recognised on an accruals basis. All revenue arises in the United Kingdom.

(d) *Interests in qualifying undertakings*

The Company is the General Partner in The Vicarage Fields Limited Partnership ("the Fund"), which is a limited partnership. The Company has invested £1 of the partnership capital as at 31 December 2006. Under International Accounting Standard No. 27, Consolidated and separate financial statements, the Fund is a subsidiary undertaking. In accordance with the exemption available under Section 228 (1)(a) of the Companies Act 1985, the Company has not prepared consolidated financial statements. (Advantage has been taken of the exemption conferred by Regulation 7 of The Partnerships and Unlimited Companies (Accounts) Regulations, 1993, and the accounts of the Fund prepared under the aforementioned regulations have, therefore, not been appended to these financial statements.)

(e) *Statement of cash flows and statement of changes in equity*

The Company is not required to prepare a statement of cash flows or statement of changes in equity for the year ended 31 December 2006 as there were no movements in cash balances or reserves during the year.

VICARAGE FIELDS (BARKING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 December 2006

2. Directors' remuneration

The Directors' emoluments are borne by a group undertaking. It is not practicable to allocate costs to Vicarage Fields (Barking) Limited for the services performed by the Directors in relation to the Company.

3. Auditors' remuneration

The auditors' remuneration for the current financial year was £1,100 (2005: £1,200) and, for the current and previous financial year, has been borne by a group undertaking.

4. Employees

The Company had no employees during the current or previous financial year.

5. Income tax expense

Income tax expense is £nil in 2006 (2005: £nil).

6. Share capital

	2006 £	2005 £
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid 1 ordinary share of £1 each	1	1

7. Related party transactions

There were no transactions with related parties during the current or prior financial years.

8. Parent undertakings

The Company's immediate parent Company is HSBC Property Investments Limited, which is incorporated in England and Wales.

The Company's ultimate controlling party as defined under International Accounting Standard 24 'Related Party Disclosures' (IAS 24) is HSBC Holdings plc, which is incorporated in England and Wales.

The smallest and largest group in which the financial statements of the Company are consolidated is HSBC Holdings plc. The consolidated financial statements of HSBC Holdings plc are available to the public and may be obtained from HSBC Holdings plc, Group Corporate Affairs, 8 Canada Square, London E14 5HQ.