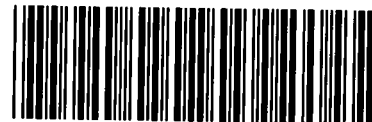


HANOVER ABERDEEN LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2016

TUESDAY



A644H1TU

A33

11/04/2017

#153

COMPANIES HOUSE

Registered No: 08385700

CONTENTS

	<u>Pages</u>
Report of the Directors	2 and 3
Statement of Financial Position	4
Income Statement	5
<i>Statement of Changes in Equity</i>	6
Notes to the Unaudited Financial Statements	7 to 13

HANOVER ABERDEEN LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and unaudited financial statements of Hanover Aberdeen Limited ("the Company") for the period from 1st January 2015 to 30th June 2016.

INCORPORATION

The Company was incorporated in England and Wales 1st February 2013.

CHANGE OF NAME

On 10th September 2015, the Company changed its name from EQ Property Limited to Hanover Aberdeen Limited.

CHANGE IN ACCOUNTING DATE

The year end of the Company was changed during the period from 31st December to 30th June. These financial statements cover the period from 1st January 2015 to 30th June 2016.

GOING CONCERN

It is the intention of the Directors to liquidate the Company within twelve months of the approval of these financial statements and therefore these financial statements have been prepared on a basis other than that of a going concern.

PRINCIPAL ACTIVITY

The principal activity of the Company is the holding of investment property.

RESULTS AND DIVIDENDS

The net assets of the Company as at 30th June 2016 were £45,245,112 (31st December 2014: £7,374,190).

The profit for the period amounted to £929,712 (year ended 31st December 2014: loss £3,076,603).

The Directors did not propose the payment of a dividend for the period (year ended 31st December 2014: £nil).

DIRECTORS

The Directors who held office during the period and subsequently were:

S.J. Ricketts	(Resigned 28th August 2015)
C.C. Stewart	(Resigned 28th August 2015)
P.E. Massie	(Resigned 28th August 2015)
H.R. Culshaw	(Appointed 28th August 2015)
A.W. King	(Appointed 28th August 2015, resigned 8th November 2016)
A.T.J. Moll	(Appointed 8th November 2016)

SECRETARY

Nadira Hussein resigned as Company Secretary on 28th August 2015. SJ Secretaries Limited was appointed as Company Secretary by the Board of Directors on 28th August 2015.

REPORT OF THE DIRECTORS - (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE UNAUDITED FINANCIAL STATEMENTS

The Directors are responsible for preparing the annual report and the unaudited 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including Financial Reporting Standard 102 Section 1A, The Financial Reporting Standard applicable in United Kingdom and Republic of Ireland - Small Entities ("FRS 102 Section 1A") and applicable law.

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 unaudited 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 United Kingdom Accounting Standards, including FRS 102 Section 1A 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. It is the intention of the Directors to liquidate the Company within twelve months of the approval of these financial statements and therefore the going concern basis is not appropriate for these financial statements.

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 to 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, error and non-compliance with laws and regulations.

The Directors confirm that they have complied with the above requirements throughout the period and subsequently.

REGISTERED OFFICE

To 28th August 2015:
5th Floor, Cunard House
15 Regent Street
London, SW1Y 4LR
United Kingdom

From 28th August 2015 to 8th August 2016:
17 Hanover Square
London W1S 1BN
United Kingdom

From 8th August 2016 to date:
2nd Floor, 45 King William Street
London EC4R 9AN
United Kingdom

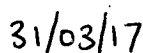
BY ORDER OF THE BOARD



Authorised signatory

SJ Secretaries Limited

Secretary



Date:

HANOVER ABERDEEN LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30TH JUNE 2016**

Company registration number: 08385700	Notes	30th Jun 2016	31st Dec 2014
		£	£
FIXED ASSETS			
Investment properties	10	-	31,720,043
		-	31,720,043
CURRENT ASSETS			
Investment properties	10	44,100,000	-
Debtors due within one year	11	2,726,680	2,980,379
Cash at bank		-	111,018
		46,826,680	3,091,397
CREDITORS: (Amounts falling due within one year)	12	(1,581,568)	(5,917,193)
NET CURRENT ASSETS / (LIABILITIES)		45,245,112	(2,825,796)
TOTAL ASSETS LESS CURRENT LIABILITIES		45,245,112	28,894,247
CREDITORS: (Amounts falling due after more than one year)	14	-	(21,520,057)
NET ASSETS		45,245,112	7,374,190
CAPITAL AND RESERVES			
Share capital	15	47,406,052	10,464,842
Retained earnings		(2,160,940)	(3,090,652)
EQUITY SHAREHOLDERS' FUNDS		45,245,112	7,374,190

For the period ending 30th June 2016, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provision of FRS 102 Section 1A - small entities.

These unaudited financial statements were approved and authorised for issue by the Board of Directors on 31/03/ 2017 and were signed on its behalf by:

Director : *Ali Ruler*

(The notes on pages 7 to 13 form an integral part of these unaudited financial statements.)

HANOVER ABERDEEN LIMITED**INCOME STATEMENT****FOR THE PERIOD ENDED 30TH JUNE 2016**

		1st Jan 2015	1st Jan 2014
		to	to
	Notes	30th Jun 2016	31st Dec 2014
		£	£
PROPERTY INCOME	5	3,077,385	-
PROPERTY EXPENSES	6	(68,778)	(54,720)
NET PROPERTY INCOME / (EXPENSES)		3,008,607	(54,720)
ADMINISTRATIVE EXPENSES	7	(17,272)	(626)
VALUE ADJUSTMENTS ON INVESTMENT PROPERTIES	10	(1,725,725)	(2,922,944)
OPERATING INCOME / (LOSS)		1,265,610	(2,978,290)
Finance (cost) / income - net	8	(83,111)	87
PROFIT / (LOSS) FOR THE YEAR BEFORE TAX		1,182,499	(2,978,203)
Taxation	9	(252,787)	(98,400)
INCOME / (LOSS) FOR THE YEAR		929,712	(3,076,603)

(The notes on pages 7 to 13 form an integral part of these audited consolidated financial statements.)

HANOVER ABERDEEN LIMITED

STATEMENT OF CHANGES IN EQUITY**FOR THE PERIOD ENDED 30TH JUNE 2016**

	Share Capital	Retained Earnings	TOTAL
	£	£	£
BALANCE AT 1ST JANUARY 2014	10,464,842	(14,049)	10,450,793
Total comprehensive income for the year	-	(3,076,603)	(3,076,603)
BALANCE AT 31ST DECEMBER 2014	10,464,842	(3,090,652)	7,374,190
Shares issued during the period	36,941,210	-	36,941,210
Total comprehensive income for the period	-	929,712	929,712
BALANCE AT 30TH JUNE 2016	47,406,052	(2,160,940)	45,245,112

(The notes on pages 7 to 13 form an integral part of these unaudited financial statements.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2016

1 GENERAL INFORMATION

The Company acts as an investment property holding company and holds property in Aberdeen.

Hanover Aberdeen Limited ("the Company") is a private limited company incorporated in England and Wales the United Kingdom under the Companies Act 2006 with registration number 08385700. The address of its registered office is 2nd Floor, 45 King William Street, London EC4R 9AN.

2 STATEMENT OF COMPLIANCE

These unaudited financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standards 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland - Small Entities ("FRS 102 Section 1A"), in compliance with the Companies Act 2006.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparation of these unaudited financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

This is the first year that the Company has presented its results under FRS 102 Section 1A. The last financial statements under UK GAAP were for the year ended 31st December 2014. The date of transition to FRS 102 Section 1A was 1st January 2014. The impact of the transition to FRS 102 Section 1A for the Company has been to the presentation of the financial statements, but the results for the period and the net assets of the Company have not been affected by the transition. Leasehold land and buildings as at 31st December 2014 were valued at cost less impairment. It is impracticable to obtain a fair value at 31st December 2014. As the value of the leasehold land and buildings were reduced for impairment the carrying value at 31st December 2014 has been taken as the fair value.

In July 2015, amendments were made to FRS 102 to incorporate FRS 102 Section 1A, the new small entities regime. FRS 102 Section 1A is applicable for periods beginning on or after 1st January 2016 and early application is permitted. The Company has early adopted FRS 102 Section 1A and qualified for exemption as a small company during the period.

Basis of preparation

The Company is no longer considered to be a going concern as it is the intention of the Directors to liquidate the Company within twelve months of approval of these financial statements. These financial statements have therefore been prepared on a basis other than that of a going concern and assets are shown at their estimated net realisable value. No adjustment has been required to the carrying value of assets presented in the financial statements in order to present them on this basis.

The financial statements do not provide for expenses towards the liquidation of the Company, however the Directors believe that these would not be material to the financial statements.

Under FRS 102 Section 1A, a small entity is not required to prepare a statement of cash flows. Consequently, no statement of cash flows has been presented in these financial statements.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the reporting date.

Foreign currency transactions are translated into Sterling at the rate of exchange ruling at the date of the transaction. The profit or loss on exchange is recognised in the Income Statement.

Financial Instruments

Basic financial instruments are recognised at amortised cost with changes recognised in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment property is initially recognised at cost which includes purchase cost and any directly attributable expenditure. Investment property for which value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually, with any changes in fair value recognised in the Income Statement.

The Company engaged independent valuers to determine fair value at 30th June 2016. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rental income

Income arising from operating lease is recognised when the right to receive the consideration is established and is recognised on a straight-line basis over the term of the relevant lease. Where payments are received from customers in advance of the period the rent is incurred, the amounts are recorded as deferred income and included as part of creditors due within one year. Initial indirect costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Interest income

Income earned on bank deposits are recognised on an accruals basis.

Taxation

Current tax, including UK corporation and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences which are differences that have originated but not reversed at the reporting 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 reporting date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gain and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax is measured on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only where there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: (a) the Company has a legally enforceable right to set off the current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for the expected costs of maintenance under guarantees are charged against profits when products have been invoiced. The effect of the time value of money is not material and therefore the provisions are not discounted.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Company's accounting policies, which are described in Note 3, 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. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

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.

During the period, the key sources of estimation uncertainties are as follows:

Measurement of investment properties

The fair value of investment property was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques, the investment and capitalisation methods. This involved estimation of future cash flows to be generated over a number of years and combination of assumptions including revenue growth and rental values. In addition the use of discount rates / capitalisation rates requires judgement.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**FOR THE PERIOD ENDED 30TH JUNE 2016****5 PROPERTY INCOME**

An analysis of the Company's property income is as follows:

	2016	2014
	£	£
Rental income	3,038,080	-
Service charge income	39,305	-
	<u>3,077,385</u>	<u>-</u>

6 PROPERTY EXPENSES

	2016	2014
	£	£
Service charges and other non-recoverable property costs	29,473	54,720
Insurance	39,305	-
	<u>68,778</u>	<u>54,720</u>

7 ADMINISTRATIVE EXPENSES

	2016	2014
	£	£
Administration and accountancy fees	7,837	-
Valuation fees	8,820	-
Compliance fees	200	-
Other	415	626
	<u>17,272</u>	<u>626</u>

8 FINANCE (COSTS) / INCOME - NET

	2016	2014
	£	£
Bank interest receivable	588	87
Bank loan interest payable (see Note 13)	(83,690)	-
Bank charges	(9)	-
	<u>(83,111)</u>	<u>87</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2016

9 TAXATION

	2016	2014
	£	£
Current tax on profit on ordinary activities		
UK income tax at 20%	252,787	98,400

The tax charge for the year ended 31st December 2014 is made up of deferred corporation tax relating to origination and reversal of timing differences.

United Kingdom

The UK rental business profits of the Company are subject to UK income tax at the rate of 20% (2014: 20%).

Reconciliation of tax charge

	2016	2014
	£	£
Profit / (loss) on ordinary activities arising in the UK	1,182,499	(2,978,203)
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014: 21.50%)	236,500	(640,314)
Tax effect of:		
Non-deductible expenses	114,687	640,314
Deferred tax on UK losses	(98,400)	98,400
Total current tax	252,787	98,400

10 INVESTMENT PROPERTIES

The investment property has been valued by Knight Frank as at 30th June 2016. This valuation has been carried out on a fair value basis in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The valuer has applied the comparable and capitalisation method of valuation.

Prior to the Company entering liquidation it is the intention of the Directors to transfer ownership of the property, Annan House, to Rockspring Hanover Aberdeen Trustee 1 Limited and Rockspring Hanover Aberdeen Trustee 2 Limited as joint trustees of Rockspring Hanover (Aberdeen) Property Unit Trust. This transfer will be completed at the fair value of the property as determined by Knight Frank on 30th June 2016.

	Long leasehold land and buildings	
	2016	2014
	£	£
At Cost		
Balance brought forward	31,720,043	11,705,987
Additions during the period / year	14,105,682	22,937,000
Less impairment	(738,780)	(2,922,944)
At 30th June / 31st December	45,086,945	31,720,043

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2016

10 INVESTMENT PROPERTIES (CONTINUED)

At Fair Value

Balance brought forward	31,720,043	11,705,987
Additions during the period / year	14,105,682	22,937,000
Revaluation / impairment	(1,725,725)	(2,922,944)

At 30th June / 31st December

44,100,000	31,720,043
-------------------	-------------------

Leasehold land and buildings as at 31st December 2014 were valued at cost less impairment. It is impracticable to obtain a fair value at 31st December 2014. As the value of the leasehold land and buildings were reduced for impairment the carrying value at 31st December 2014 has been taken as the fair value.

As set out in Note 5, property rental income earned during the period was £3,038,080 (year ended 31st December 2014: £nil). No contingent rents have been recognised as income in the current period or prior year.

11 DEBTORS

	2016	2014
	£	£
Due within one year		
Loan receivable from group undertakings	2,678,073	2,980,379
Other debtors	48,607	-
	2,726,680	2,980,379

The loan receivable from group undertakings is non-interest bearing, unsecured and repayable on demand.

12 CREDITORS: (Amounts falling due within one year)

	2016	2014
	£	£
Accrued expenses	3,375	2,311,367
Rent in advance	506,666	-
Tax payable	351,187	98,400
Amounts due to group undertakings	250,000	3,507,426
Other creditors	8,820	-
VAT payable - net	461,520	-
	1,581,568	5,917,193

The amounts due to group undertakings relate to an inter-group loan which is non-interest bearing, unsecured and repayable on demand.

13 BANK LOANS

	2016	2014
	£	£
Due within more than one year	-	21,520,057

The Company entered into a £31,800,000 2 year development facility with Abbey National Treasury Services PLC in relation to the construction of the Company's Aberdeen office building. Interest at LIBOR plus a margin of 1.5% was payable. The facility was repaid when the share capital of the Company was transferred to the new owner.

HANOVER ABERDEEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2016

14 CREDITORS: (Amounts falling due after more than one year)

	2016	2014
	£	£
Bank loans	-	21,520,057

15 SHARE CAPITAL

Allotted, called up and fully paid

Equity share capital

47,406,052 (2014: 10,464,842) ordinary shares at £1 each

	2016		2014	
	No. of shares	£	No. of shares	£
Brought forward	10,464,842	10,464,842	10,464,842	10,464,842
Shares issued	36,941,210	36,941,210	-	-
Carried forward	47,406,052	47,406,052	10,464,842	10,464,842

On 28th August 2015, 10,464,842 ordinary shares were transferred from EnQuest Britain Limited to Rockspring Hanover Aberdeen Trustee 1 Limited and Rockspring Hanover Aberdeen Trustee 2 Limited as joint trustees of the Rockspring Hanover (Aberdeen) Property Unit Trust. On 31st December 2015 36,941,210 shares were issued to Rockspring Hanover Aberdeen Trustee 1 Limited and Rockspring Hanover Aberdeen Trustee 2 Limited as joint trustees of the Rockspring Hanover (Aberdeen) Property Unit Trust.

16 STAFF COSTS

The Company did not have any employees during the current year and previous.

17 CONTROLLING PARTY

In the opinion of the Directors, the Company is wholly controlled by the Rockspring Hanover Property Unit Trust, a unit trust established in accordance with the law of England and Wales.

18 RELATED PARTY DISCLOSURES

The Group has balances with group and related undertakings as disclosed in Notes 11 and 12. The parties are related due to the common control exerted over them by the Trustees of the Rockspring Hanover Property Unit Trust.

H.R. Culshaw is a director of Saltgate Limited. A.W. King resigned as a director of Saltgate Limited on 10th August 2016. A.J.T. Moll is an employee of Saltgate Limited. Administrative and accounting services are provided to the Company by Saltgate Limited. These services are provided at commercial rates which amounted to £7,837 during the period, none of which was outstanding as at 30th June 2016.

19 EVENTS AFTER THE REPORTING DATE

Events after the reporting date have been evaluated up to the date the financial statements were approved and authorised for issue by the Board of Directors and there are no material events that are required to be disclosed or adjusted in these financial statements.