

**BULL RING (GP) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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<b>BULL RING (GP) LIMITED</b>
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**COMPANY INFORMATION****Directors**

Harry Alexander Badham  
Thomas Oliver Jackson  
Ira Atanasova Panova  
Gregoire Peureux  
Simon Charles Travis (resigned 21 July 2022)  
Myles Bernard White (resigned 21 July 2022)  
Stephen Wicks (resigned 21 July 2022)

**Company secretary**

Hammerson Company Secretarial Limited

**Registered number**

03744396

**Registered office**

Marble Arch House  
66 Seymour Street  
London  
W1H 5BX

<b>BULL RING (GP) LIMITED</b>
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# **BULL RING (GP) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors present their report and the financial statements for the year ended 31 December 2022.

### **Directors' responsibilities statement**

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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 and other irregularities.

### **Principal activity**

The principal activity of the Company is to act as the General Partner to The Bull Ring Limited Partnership (the "Partnership") which owns and operates the Bullring Shopping Centre in Birmingham. During the year, there was a change to the Limited Partners, which has been disclosed in Note 7. The Limited Partners collectively have an interest of 99.54% (2021: 99.54%) in the Partnership, with the Company owning the remaining 0.46% (2021: 0.46%).

## BULL RING (GP) LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Business review

##### *Performance in the year*

The activities of the Company are intrinsically linked to those of the Partnership given the Company's only income source is distributions received from the Partnership. During the year, the Company received investment income of £221,000 (2021: £Nil). The Company's 0.46% interest in the Partnership is carried at a cost of £686,000 (2021: £686,000) which is not considered impaired.

The Partnership's revenue increased from £43.8m in 2021 to £52.2m in 2022, with increases in base rent, turnover rent and car park income, offset by decreases in other rental income and service charge income. Footfall levels recovered steadily throughout the year, occupancy levels remain high and rent collections, both in terms of overall proportion collected and pace after the due date continued to improve as trading normalised post the pandemic.

A revaluation loss of £34.4m (2021: £78.4m) was incurred on the Partnership's properties. This arose primarily due to a market yield shift in the second half of the year, as a result of higher interest rates, which mostly occurred in the last quarter of 2022.

The ownership of the Partnership changed during the year. Further information is provided in notes 7 and 13.

##### *Future prospects*

Whilst the Directors of the General Partner ('the Directors') are very mindful of the uncertain macroeconomic outlook and the cost of living crisis, significant progress has been made in the last two years, with leasing volumes and collections returning to pre-pandemic levels. The Directors believe that the Partnership is well positioned to continue to deliver another year of progress in 2023 and do not anticipate any significant change in the Partnership's principal activity in the foreseeable future.

#### Directors

The Directors who served during the year were:

Harry Alexander Badham  
Thomas Oliver Jackson  
Ira Atanasova Panova  
Gregoire Peureux  
Simon Charles Travis (resigned 21 July 2022)  
Myles Bernard White (resigned 21 July 2022)  
Stephen Wicks (resigned 21 July 2022)

#### Qualifying third party indemnity provisions

The Company's ultimate parent companies are Hammerson plc and Canada Pension Plan Investment Board. Hammerson plc has put in place qualifying third party indemnity provisions for the benefit of all the Directors of the Company, which were in place throughout the year and remain in place at the date of approval of this report.

#### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed 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 the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**BULL RING (GP) LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Auditor**

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

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

This report was approved by the board on 19 October 2023 and signed on its behalf.



**Harry Alexander Badham**  
Director

## BULL RING (GP) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED

#### Opinion on the financial statements

In our opinion the financial statements:

- 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Bull Ring (GP) Limited ("the Company") for the year ended 31 December 2022 which comprise the Income Statement, Statement of Changes in Equity, Balance Sheet, summary of significant accounting policies, and notes to the financial statements. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### 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.

#### Other matter

The corresponding figures are unaudited.

#### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual audit report and the financial statements other than the financial statements that we based our audit report on, other than the financial statements and our auditor's report thereon. 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.

**BULL RING (GP) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED**

We have nothing to report in this regard.



## BULL RING (GP) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED

#### Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have 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 material misstatements in the Strategic report of the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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.

#### 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.

#### *Extent to which the audit was 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:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates.
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006.

## BULL RING (GP) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations.
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations.
- Review of financial statement disclosures and agreeing to supporting documentation.
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud.
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud.
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

Based on our risk assessment, we considered the area's most susceptible to fraud would be management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criterion, by agreeing to supporting documentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's report.

**BULL RING (GP) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED**

**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.

DocuSigned by:

**Alexander Tapp**

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**Alexander Tapp (Audit Partner) (Senior Auditor)**

for and on behalf of BDO LLP, Statutory Auditor

London, UK

21 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**BULL RING (GP) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Administrative expenses	(5)	(1)
<b>Operating loss</b>	<u>(5)</u>	<u>(1)</u>
Income from shares in group undertakings	221	-
<b>Profit/(loss) before tax</b>	<u>216</u>	<u>(1)</u>
Tax on profit/(loss) 6	(30)	(24)
<b>Profit/(loss) for the financial year</b>	<u><u>186</u></u>	<u><u>(25)</u></u>
 <b>Total comprehensive income for the year</b>	 <u><u>186</u></u>	 <u><u>(25)</u></u>

The notes on pages 12 to 20 form part of these financial statements.

**BULL RING (GP) LIMITED**  
**REGISTERED NUMBER: 03744396**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Investments	7	793	686
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	536	448
Creditors: amounts falling due within one year	9	(35)	(26)
<b>Net current assets</b>		<u>501</u>	<u>422</u>
<b>Total assets less current liabilities</b>		<u>1,294</u>	<u>1,108</u>
<b>Net assets</b>		<u><u>1,294</u></u>	<u><u>1,108</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	1,292	1,106
		<u><u>1,294</u></u>	<u><u>1,108</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 October 2023.



**Harry Alexander Badham**  
Director

The notes on pages 12 to 20 form part of these financial statements.

<b>BULL RING (GP) LIMITED</b>
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2021</b>	<b>2</b>	<b>1,131</b>	<b>1,133</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(25)	(25)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(25)</b>	<b>(25)</b>
<b>At 1 January 2022</b>	<b>2</b>	<b>1,106</b>	<b>1,108</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	186	186
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>186</b>	<b>186</b>
<b>At 31 December 2022</b>	<b>2</b>	<b>1,292</b>	<b>1,294</b>

The notes on pages 12 to 20 form part of these financial statements.

## **BULL RING (GP) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. General information**

Bull Ring (GP) Limited is a private company limited by shares, domiciled and incorporated in the United Kingdom under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out on page 1. The address of the registered office is Marble Arch House, 66 Seymour Street, London, W1H 5BX.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Bull Ring Limited Partnership (the "Partnership") meets the definition of a subsidiary undertaking because the limited partnership is controlled by Bull Ring (GP) Limited, the General Partner, which forms part of the group. The Companies Act 2006 and FRS 102 Section 9 - "Consolidated and Separate Financial Statements" require the full consolidation of all subsidiary undertakings. However, the Directors consider that the consolidated financial statements would not present a true and fair view if the Partnership was to be consolidated in this way, with the interests of the other partners (representing 99.54%) accounted for as a minority interest. As such consolidated financial statements have not been prepared as a result of the Company's investment in The Bull Ring Limited Partnership. The Company has therefore prepared separate financial statements and accounts for investments in subsidiaries at cost less provision for impairment.

The Company is a joint venture between Hammerson plc and Canada Pension Plan Investment Board and is equity accounted into the group financial statements of these entities which are publicly available (see note 13).

As the Company is not wholly-owned, it is not entitled under FRS 102 from an exemption to prepare a cash flow statement. However, the Company does not have a bank account and has not been party to any cash transactions and consequently no cash flow statement has been presented.

The presentation currency used is sterling and amounts have been presented in round thousands ("£000s").

The following principal accounting policies have been applied:

##### **2.2 Going concern**

In considering going concern the Directors initially note that the Company has net current assets and net assets, and no external borrowings or debt covenants. Its principal assets are its investment in, and receivable balance due from The Bull Ring Limited Partnership (the "Partnership").

The activities of the Company are intrinsically linked to those of the Partnership, therefore in forming an opinion as to whether the Company was a going concern, the Directors needed to form an assessment as to whether the Partnership itself was able to adopt the going concern basis in preparing its financial statements.

The Directors note that the Partnership is an integral part of the structure and strategy of its ultimate controlling parties, and that the Partnership has a strong balance sheet, with net current assets and net assets, and no external borrowings or debt covenants. The Directors of the General Partner ('the Directors') have undertaken a detailed going concern assessment of the Partnership. This involved considering the current and projected financial position of the Partnership and making reasonable

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.2 Going concern (continued)**

assumptions about the future trading performance. The assessment process involved the preparation of two scenarios: a 'Base' scenario and a 'Severe but plausible' scenario to forecast the Partnership's liquidity over the period to 30 June 2024

The two scenarios take account of the current and near-term assessment of the Partnership's principal risks and the latest economic and trading outlook. The outlook reflects geopolitical uncertainty, primarily related to the ongoing war in Ukraine, and the associated economic challenges on both consumers and businesses from high inflation, rising interest rates and supply chain pressures. The scenarios also reflect the discretion available to the Directors to manage liquidity in relation to uncommitted future capital expenditure and Partner distributions.

*Scenario assumptions*

The scenarios were constructed from the Partnership's Business Plan ('the Plan') and took account of the challenges in market outlook explained above. The Base scenario assumed a stable near-term operational performance supported by a robust leasing pipeline and the recovery in collections and footfall seen over the course of 2022.

The assumptions in the Severe but plausible scenario reflect a more severe market downturn than anticipated in the Base Scenario which adversely impacts the Partnership's financial performance. These include reductions in variable income from turnover rent, car parks and commercialisation; an allowance for increased credit loss provisions associated with lower collections and tenant failure; and higher vacancy levels relative to the Base scenario. When combined these adverse assumptions result in NRI being c. 30% lower than NRI in 2022.

*Conclusion*

Based on the above assessment, under both the Base and Severe but plausible scenarios, the Partnership has sufficient liquidity on a stand-alone basis for a period of at least 12 months from the date of signing these financial statements. Accordingly, the Directors are satisfied that they can prepare the financial statements on the going concern basis.

**2.3 Tax on profit**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**2.4 Investment income**

Investment income represents the Company's share of the profit distributions receivable from The Bull Ring Limited Partnership and is included within the statement of comprehensive income.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.6 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.



## BULL RING (GP) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.7 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The Company's critical judgement and area of estimation uncertainty is in respect of the valuation of investments. The Company's investments include its investment in The Bull Ring Limited Partnership (the "Partnership"), which is carried in the balance sheet at historical cost less provision for impairment, which is assessed by the Directors based upon the net assets of the Partnership in which the Company invests. The principal asset of the Partnership is its investment properties which are valued six monthly by professional qualified external valuers. The Directors must ensure they are satisfied that the Company's investment in the Partnership is appropriate for the financial statements. The basis of valuation of the Partnership's investment properties is set out in the notes to the financial statements of the Partnership for the year ended 31 December 2022.

#### 4. Auditor's remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditor for the audit of the Company's financial statements	5	1

The audit fee allocated to the audit of the Company for 2022 is £3,000 (2021: £2,000). Included within the current year figure, is an underprovision of prior year's fees.

#### 5. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of disclosure.

In addition there were no payments to key management personnel in either the current or preceding financial year.

# BULL RING (GP) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 6. Taxation

	2022 £000	2021 £000
<b>Corporation tax</b>		
Current tax on profits for the year	30	24
<b>Total current tax</b>	<u>30</u>	<u>24</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>30</u>	<u>24</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £000	2021 £000
Profit/(loss) on ordinary activities before tax	216	(1)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	41	-
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	(1)	-
Distribution income not taxable	(42)	-
Share of partnership taxable income	32	24
<b>Total tax charge for the year</b>	<u>30</u>	<u>24</u>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

**BULL RING (GP) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**7. Fixed asset investments**

	<b>Investment in The Bull Ring Limited Partnership £000</b>
<b>Cost</b>	
At 1 January 2022	686
Additions	107
At 31 December 2022	<u><u>793</u></u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
BRLP Rotunda Limited	Marble Arch House, 66 Seymour Street, London, W1H 5BX	Ordinary	100%
Bull Ring No. 1 Limited	Marble Arch House, 66 Seymour Street, London, W1H 5BX	Ordinary	100%
Bull Ring No. 2 Limited	Marble Arch House, 66 Seymour Street, London, W1H 5BX	Ordinary	100%

Each of the above undertakings is dormant.

<p><b>BULL RING (GP) LIMITED</b></p>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Bull Ring (GP) Limited has a 0.46% interest in The Bull Ring Limited Partnership, which is registered in England and Wales and holds for investment the Bullring Shopping Centre in Birmingham. The address of the registered office is Marble Arch House, 66 Seymour Street, London, W1H 5BX.

The remaining 99.54% (2021: 99.54%) interest is shared amongst the Limited Partners as follows:

	2022 %	2021 %
Hammerson Bull Ring Limited	24.885	33.1800
Hammerson Bull Ring 2 Limited	24.885	
Bull Ring Unit Trust	49.770	
Bull Ring Joint Venture Unit Trust		33.1800
HSCF BRLP1 Limited		16.9218
HSCF BRLP2 Limited		16.2582
	<u>99.540</u>	<u>99.5400</u>

<b>BULL RING (GP) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. Debtors**

	2022 £000	2021 £000
Amounts owed by group undertakings	535	448
Other debtors	1	-
	536	448
	536	448

**9. Creditors: Amounts falling due within one year**

	2022 £000	2021 £000
Amounts owed to group undertakings	2	2
Corporation tax	29	23
Other creditors	1	1
Accruals and deferred income	3	-
	35	26
	35	26

Amounts owed to group undertakings are repayable on demand, non-interest bearing and unsecured.

<b>BULL RING (GP) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. Called up share capital**

	<b>2022 £000</b>	<b>2021 £000</b>
<b>Authorised, allotted, called up and fully paid</b>		
180,000 (2021 - 180,000) Ordinary shares of £0.01 each	<b>2</b>	<b>2</b>

**11. Reserves**

**Profit and loss account**

Cumulative profits and losses less any dividends paid.

**12. Related party transactions**

**Related party**

During the year the company entered into related party transactions or had outstanding balances as follows:

The Bull Ring Limited Partnership: distributions receivable during the year of £221,000 (2021: £Nil), with an outstanding receivable balance at the year ended 31 December 2022 of £534,000 (2021: £448,000).

Hammerson plc: outstanding payable balance at the year ended 31 December 2022 of £2,000 (2021: £2,000).

All amounts are repayable on demand, non-interest bearing and unsecured.

**BULL RING (GP) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Controlling party**

At the end of the current and preceding year, Bull Ring (GP2) Limited, HSCF (Bull Ring) Limited and Hammerson Birmingham Properties Limited each owned 60,000 ordinary £0.01 shares in the Company. These companies are registered in England and Wales.

At 31 December 2021, the ultimate controlling parties of these shareholders were Hammerson plc, Canada Pension Plan Investment Board and UK Shopping Centre Fund. On 21 July 2022, Canada Pension Plan Investment Board acquired the interest previously held by UK Shopping Centre Fund, and the interests of the immediate controlling parties of the Partnership were reorganised (see note 7).

At 31 December 2022, the ultimate controlling parties were Hammerson plc and Canada Pension Plan Investment Board, which are registered in England and Wales and Canada, respectively.

The consolidated financial statements of the ultimate controlling parties are available from:

Hammerson plc  
The Company Secretarial Department  
Marble Arch House  
66 Seymour Street  
London  
W1H 5BX

Canada Pension Plan Investment Board  
Company Secretary  
One Queen Street East  
Suite 2500  
Toronto, ON  
M5C 2W5  
Canada

Partnership registration: LP6353

**THE BULL RING LIMITED PARTNERSHIP**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2022



## THE BULL RING LIMITED PARTNERSHIP

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## THE BULL RING LIMITED PARTNERSHIP

### STRATEGIC REPORT

Year ended 31 December 2022

#### Review of the business

##### *Performance during the year*

The principal business of The Bull Ring Limited Partnership ('the Partnership') is to hold certain investments in Birmingham including the Bullring Shopping Centre. The Partnership made a profit from operating activities of £35.8m (2021: £28.8m) and a total profit for the financial year of £1.6m before partners' interests (2021: £49.6m loss).

Revenue increased from £43.8m in 2021 to £52.2m in 2022, with increases in base rent, turnover rent and car park income, offset by decreases in other rental income and service charge income. Footfall levels recovered steadily throughout the year, occupancy levels remain high and rent collections, both in terms of overall proportion collected and pace after the due date continued to improve as trading normalised post the pandemic.

A revaluation loss of £34.4m (2021: £78.4m) was incurred on the Partnership's properties. This arose primarily due to a market yield shift in the second half of the year, as a result of higher interest rates, which mostly occurred in the last quarter of 2022.

The ownership of the Partnership changed during the year. Further information is provided in notes 2 and 16.

##### *Future prospects*

Whilst the Directors of the General Partner ('the Directors') are very mindful of the uncertain macroeconomic outlook and the cost of living crisis, significant progress has been made in the last two years, with leasing volumes and collections returning to pre-pandemic levels. The Directors believe that the Partnership is well positioned to continue to deliver another year of progress in 2023 and do not anticipate any significant change in the Partnership's principal activity in the foreseeable future.

#### Key Performance Indicators

	2022 £'000	2021 £'000
Net rental income	36,666	30,178
Property valuation	540,500	561,000
Capital expenditure	15,116	12,794
Revaluation losses	(34,425)	(78,403)
Total return	0.2%	-8.0%

#### Principal risks

##### *Overview*

2022 was a mixed year from a risk perspective. The post pandemic period resulted in a steady recovery in footfall and collections, and a strong leasing performance with reduced vacancy levels. These positive trends contrasted with the heightened level of macroeconomic and geopolitical uncertainty, primarily related to the ongoing war in Ukraine, and the associated economic challenges on both consumers and businesses from high inflation, rising interest rates and supply chain pressures.

Against this backdrop, effective risk management is critical to protect the Partnership's income, assets and reputation. The Directors review and monitor financial, operational and reputational risks and consider these as part of the forecasting and business planning process.

##### *Near-term*

The key short term risks facing the Partnership continue to be the collection of historical arrears arising from the Covid-19 pandemic and more recently, the macroeconomic environment, with the UK still having the potential for a recession in 2023. While the macroeconomic backdrop is adversely impacting consumers, the UK business rate revaluation has been favourable to the vast majority of the Partnership's tenants, which continue to seek optimal trading locations.

## THE BULL RING LIMITED PARTNERSHIP

### STRATEGIC REPORT (CONTINUED)

Year ended 31 December 2022

#### Principal risks (continued)

##### *Longer-term*

The key on-going and longer-term risk facing the Partnership relates to tenant exposure and the strength of the UK property market, the latter being impacted by increased online penetration and potential tenant failures. Tenants' covenants are monitored at the start of leasing agreements and on an ongoing basis to minimise the risk of default. The Directors monitor the UK property market through the analysis of market forecasts and the performance of the property assets are compared against target returns. The Partnership has a risk forum for managing the key development risks. A sensitivity analysis of property valuation movements is included in note 6(b) to the financial statements.

#### Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the Partnership for the benefit of its partners and, in doing so, had regard, amongst other matters, to those matters set out in section 172(1)(a) to (f) of the Companies Act 2006, being:

- The likely consequences of any decision in the long term
- The need to foster the Partnership's business relationships with partners, consumers and others
- The impact of the Partnership's operations on the community and the environment
- The desirability of the Partnership maintaining a reputation for high standards of business conduct
- The need to act fairly as between partners of the Partnership

The Directors receive a detailed quarterly update from the asset manager on matters affecting the Partnership's stakeholders which assists the Directors in their decision making process.

#### Stakeholders

The Directors have determined that the Partnership's key stakeholders are its: occupiers; customers; communities; and partners. How the Directors engage with these stakeholders is summarised below:

Stakeholder	Key areas of interest	How we engage
<b>Occupiers</b> We create a platform that fosters success for a diverse and evolving mix of occupiers to deliver unrivalled customer experiences and thrive.	<ul style="list-style-type: none"><li>— Shared commercial objectives; attracting consumers</li><li>— Vibrant and well-operated destinations</li><li>— ESG</li><li>— Occupancy cost</li></ul>	<ul style="list-style-type: none"><li>— Our dedicated leasing team has a leasing strategy for the Partnership's properties, underpinned by the strategic objectives</li><li>— We hold regular executive management meetings with our occupiers</li><li>— The Directors receive reports from the senior management team on the performance of our occupiers, which are discussed at its meetings</li><li>— We have a targeted programme of engagement for future occupiers and partners</li><li>— We run a brand feedback study with our occupiers to gather input on their satisfaction to help drive stronger, mutually beneficial relationships</li></ul>

## THE BULL RING LIMITED PARTNERSHIP

### STRATEGIC REPORT (CONTINUED)

Year ended 31 December 2022

#### Stakeholders (continued)

Stakeholder	Key areas of interest	How we engage
<b>Customers</b> We create vibrant destinations through continually evolving the mix of brands and experiences through placemaking and events that appeal to a broad range of consumers.	<ul style="list-style-type: none"> <li>— Vibrant destinations with engaging occupier mix</li> <li>— Future winning brands</li> <li>— Continuous improvement to enhance consumer engagement and experience</li> <li>— ESG</li> </ul>	<ul style="list-style-type: none"> <li>— We undertake both quantitative and qualitative insight to understand consumer needs</li> <li>— Our marketing, leasing and asset management strategies are focused on ensuring that we curate vibrant destinations for multi-use estates</li> <li>— We invest in optimising space and occupier mix and improving customer facilities</li> <li>— The Directors receive regular reports on consumer behaviours and associated needs which provides useful insights into emerging trends at a local and national level and will inform investment decisions and identify future revenue drivers</li> </ul>
<b>Communities</b> We continually strive to make a positive difference to the communities in which we operate.	<ul style="list-style-type: none"> <li>— Measurable positive impact in socioeconomic issues relevant to the communities in which we operate</li> <li>— ESG</li> <li>— Community projects focus on four areas:                             <ul style="list-style-type: none"> <li>— Employment and skills</li> <li>— Local investment and enterprise</li> <li>— Developing young people</li> <li>— Health and wellbeing</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>— Our local community impacts are positive, and our business activities attract significant additional investment into local economies</li> <li>— We establish a clear placemaking strategy for the Partnership's properties, that reflects the needs of our local communities, delivered through our asset management programme</li> <li>— We set community engagement plans that address issues identified as relevant to local communities</li> <li>— We develop long-term partnerships with organisations that share our focus areas</li> <li>— The Directors received a report of the progress against socio-economic targets as part of the sustainability strategy</li> <li>— The Directors consider donations to suitable charities in line with our four focus areas, including charities local to our assets, complementing our sustainability goals</li> </ul>
<b>Partners</b> Each partner strives to act responsibly in the interest of the Partnership to enable the Directors to deliver their strategy.	<ul style="list-style-type: none"> <li>— Current and future financial performance</li> <li>— Operational excellence</li> <li>— Corporate governance</li> <li>— Innovation</li> <li>— Consumer trends and insight</li> <li>— ESG</li> </ul>	<ul style="list-style-type: none"> <li>— We hold quarterly Board meetings to approve asset business plans annually, setting parameters for the next year and over the longer term</li> <li>— Ad hoc meetings are organised to highlight key areas of focus, including ESG, customer experience and innovation</li> </ul>

Approved by Bull Ring (GP) Limited, General Partner, and signed on its behalf by:



**H.A. Badham**  
 Director  
 27 June 2023

**THE BULL RING LIMITED PARTNERSHIP**  
**REPORT OF THE GENERAL PARTNER**  
Year ended 31 December 2022

Bull Ring (GP) Limited ('the General Partner') presents its report and audited financial statements for the Partnership for the year ended 31 December 2022.

1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity of the Partnership is property investment in the United Kingdom. The General Partner does not anticipate any significant change in the principal activity in the foreseeable future.

Further information relating to the business, its key risks and future prospects is provided in the Strategic Report.

2. RESULTS AND DISTRIBUTIONS

The Partnership made a profit for the financial year before partners' interests of £1.6m (2021: £49.6m loss). Distributions of £48.0m were made during the year (2021: £nil).

Net assets of the Partnership as at 31 December 2022 were £547.4m (2021: £593.8m).

3. DIRECTORS OF THE GENERAL PARTNER

The Directors of the General Partner ('the Directors') are shown below. All Directors served throughout the year and were in office at the date of approval of this report, unless otherwise stated.

	<b>Resigned</b>
H A Badham	
T O Jackson	
I A Panova	
G Peureux	
S C Travis	21 July 2022
M B White	21 July 2022
S Wicks	21 July 2022

No Director has any interests in contracts entered into by the General Partner.

4. INDEMNITY

The General Partner's ultimate parent companies during the year were Hammerson plc, Canada Pension Plan Investment Board and UK Shopping Centre Fund. The ultimate parent companies put in place qualifying third party indemnity provisions for the benefit of their respective directors of the General Partner, which were in place throughout the year and remain in place at the date of approval of this report.

5. GOING CONCERN

The Directors of the General Partner have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2022 and concluded that it was appropriate. More information is provided in note 1(b) to the financial statements.

## THE BULL RING LIMITED PARTNERSHIP

### REPORT OF THE GENERAL PARTNER (CONTINUED)

Year ended 31 December 2022

#### 6. STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, as applied to qualifying partnerships, the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing the financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 Partnership will continue in business.

The General Partner is responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is also responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006.

#### 7. DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who are Directors of the General Partner at the time when this report is approved has confirmed that:

- (a) so far as the Director of the General Partner is aware, there is no relevant audit information of which the Partnership's auditor is unaware; and
- (b) the Director of the General Partner has taken all the steps that ought to have taken as a Director in order to be aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Approved by Bull Ring (GP) Limited, General Partner, and signed on its behalf by:



**H.A. Badham**  
Director  
27 June 2023



# Independent auditors' report to the Partners of The Bull Ring Limited Partnership

## Report on the audit of the financial statements

### Opinion

In our opinion, The Bull Ring Limited Partnership's financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2022 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Income Statement, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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 Partnership'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.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Partnership's ability to continue as a going concern.

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

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The General Partner is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Report of the General Partner, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 as applied to qualifying partnerships requires us also to report certain opinions and matters as described below.

### Strategic Report and Report of the General Partner

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the General Partner for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the General Partner.

## Responsibilities for the financial statements and the audit

### Responsibilities of the General Partner for the financial statements

As explained more fully in the Statement of General Partner's Responsibilities in respect of the Financial Statements, the General Partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The General Partner is also responsible for such internal control as they 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 General Partner is responsible for assessing the Partnership'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 General Partner either intends to liquidate the Partnership or to cease operations, or has no realistic alternative but to do so.

### Auditors' 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 auditors' 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.

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.

Based on our understanding of the Partnership and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:



- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Performing procedures over any unusual journal entries;
- Designing audit procedures to incorporate unpredictability into our testing;
- Challenging assumptions made by management in determining their judgements and accounting estimates; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the Partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of the General Partner's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Sonia Copeland (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
27 June 2023

# THE BULL RING LIMITED PARTNERSHIP

## INCOME STATEMENT

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Revenue	3	52,238	43,772
Rents payable and other property outgoings	3	(16,060)	(15,840)
Change in the provision for amounts not yet recognised in the income statement	3	<u>488</u>	<u>2,246</u>
Net rental income	3	36,666	30,178
Administrative expenses	4	<u>(898)</u>	<u>(1,336)</u>
Profit from operating activities		35,768	28,842
Revaluation losses on properties	6(a)	<u>(34,425)</u>	<u>(78,403)</u>
Operating profit/(loss)		1,343	(49,561)
Net finance income/(costs)	5	<u>282</u>	<u>(1)</u>
<b>Profit/(loss) for the year before partners' interests</b>		<u><b>1,625</b></u>	<u><b>(49,562)</b></u>

All amounts relate to continuing activities. There were no other items of comprehensive income or expense other than the results for the current and previous years.

# THE BULL RING LIMITED PARTNERSHIP

## BALANCE SHEET

As at 31 December 2022

	Note	2022	2021
		£'000	Restated £'000
<b>Non-current assets</b>			
Investment properties	6(a)	540,500	561,000
<b>Current assets</b>			
Trade and other receivables	7	12,463	10,001
Cash and cash equivalents	† 8	18,003	45,602
		30,466	55,603
<b>Current liabilities</b>			
Trade and other payables	9	(22,560)	(21,929)
<b>Net current assets</b>		7,906	33,674
<b>Total assets less current liabilities</b>		548,406	594,674
<b>Non-current liabilities</b>			
Trade and other payables	10	(991)	(884)
<b>Net assets</b>		547,415	593,790
<b>Partners' equity</b>			
Partners' capital accounts	11	149,151	149,151
Partners' current accounts	11	398,264	444,639
<b>Total Partners' equity</b>		547,415	593,790

† 2021 figures have been restated with further information provided in notes 1(a) and 8.

The financial statements were approved by the Board of Directors of the General Partner and were signed on its behalf by:



**H.A. Badham**  
Director  
27 June 2023

Partnership registration: LP6353

# THE BULL RING LIMITED PARTNERSHIP

## STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2022

	Partners' capital accounts £'000	Partners' current accounts £'000	Total Partners' equity £'000
At 1 January 2021	149,151	494,201	643,352
Loss for the year	-	(49,562)	(49,562)
At 31 December 2021	149,151	444,639	593,790
Profit for the year	-	1,625	1,625
Distributions to partners	-	(48,000)	(48,000)
<b>At 31 December 2022</b>	<b>149,151</b>	<b>398,264</b>	<b>547,415</b>

# THE BULL RING LIMITED PARTNERSHIP

## CASH FLOW STATEMENT

For the year ended 31 December 2022

	2022	2021
	£'000	Restated £'000
<b><i>Operating activities</i></b>		
Profit from operating activities	35,768	28,842
Decrease in receivables	233	11,743
Increase/(decrease) in payables	(885)	(7,553)
Non-cash items	(1,505)	(4,869)
<b>Cash generated from operations</b>	† 33,611	28,163
Interest received	282	-
Interest paid	-	(1)
<b>Cash flows from operating activities</b>	† 33,893	28,162
<b><i>Investing activities</i></b>		
Capital expenditure	(13,492)	(14,306)
<b>Cash flows used in investing activities</b>	(13,492)	(14,306)
<b><i>Financing activities</i></b>		
Distributions to partners	(48,000)	-
<b>Cash flows used in financing activities</b>	(48,000)	-
<b>(Decrease)/increase in cash and cash equivalents</b>	† (27,599)	13,856
Opening cash and cash equivalents	† 45,602	31,746
<b>Closing cash and cash equivalents</b>	† 18,003	45,602

† 2021 figures have been restated with further information provided in notes 1(a) and 8.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES

The Bull Ring Limited Partnership ('the Partnership') is registered pursuant to the provisions of The Limited Partnerships Act 1907. The Partnerships and Unlimited Companies (Accounts) Regulations 2008 (SI 2008/569) require certain qualifying partnerships to prepare and have audited financial statements as required for a company by the Companies Act 2006. The nature of the Partnership's operations and its principal activities are set out on page 5. The address of the registered office of the General Partner is the same as that of Hammerson plc, one of the ultimate controlling parties, which is Marble Arch House, 66 Seymour Street, London W1H 5BX.

##### (a) Basis of accounting

###### *Basis of preparation*

These financial statements were prepared in compliance with Financial Reporting Standard 102 ('FRS 102') as issued by the Financial Reporting Council and the Companies Act 2006.

The financial statements have been prepared on a historical cost basis, except for the revaluation of investment properties. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Partnership is a joint venture between Hammerson plc and Canada Pension Plan Investment Board. The ownership of the Partnership changed during the year. Further information is provided in notes 2 and 16.

The following principal accounting policies have been applied consistently throughout the current and preceding year, unless otherwise stated.

###### *New accounting pronouncements*

New accounting standards, amendments to standards and related interpretations which became applicable during the year or have been published but are not yet effective, were either not relevant or had no, or no material impact on the Partnership's results or net assets except for the following which has resulted in accounting policy changes as follows:

In April 2022, the IFRIC issued an agenda decision in respect of the presentation of 'Demand deposits with restrictions on use arising from a contract with a third party' (the 'IFRIC Decision on Deposits'). The conclusions were that restrictions on use which arise from a contract with a third party do not alone change the nature of amounts being classified as cash and cash equivalents with the same definition of cash and cash equivalents being echoed in FRS 102. In light of this, to align the accounting policy to the interpretation of IFRS, a review has been undertaken of amounts disclosed as 'restricted monetary assets'. It has been determined that the use of certain tenant deposit and service charge amounts are restricted only by a contract with a third party. As a result, in applying the agenda decision, such amounts for 2021 have been restated to reflect this change to be consistent with the treatment at the ultimate parent company level with analysis set out in note 8.

Where figures have been restated, these are marked †.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (b) Going concern

The Directors of the General Partner ('the Directors') have undertaken a detailed going concern assessment of the Partnership. This involved considering the current and projected financial position of the Partnership and making reasonable assumptions about the future trading performance. The assessment process involved the preparation of two scenarios: a 'Base' scenario and a 'Severe but plausible' scenario to forecast the Partnership's liquidity over the period to 30 June 2024.

The two scenarios take account of the current and near-term assessment of the Partnership's principal risks, as explained in the Strategic Report on page 2, and the latest economic and trading outlook. The outlook reflects geopolitical uncertainty, primarily related to the ongoing war in Ukraine, and the associated economic challenges on both consumers and businesses from high inflation; rising interest rates and supply chain pressures. The scenarios also reflect the discretion available to the Directors to manage liquidity in relation to uncommitted future capital expenditure and Partner distributions.

##### *Scenario assumptions*

The scenarios were constructed from the Partnership's Business Plan ('the Plan') and took account of the challenges in market outlook explained above. The Base scenario assumed a stable near-term operational performance supported by a robust leasing pipeline and the recovery in collections and footfall seen over the course of 2022.

The assumptions in the Severe but plausible scenario reflect a more severe market downturn than anticipated in the Base Scenario which adversely impacts the Partnership's financial performance. These include reductions in variable income from turnover rent, car parks and commercialisation; an allowance for increased credit loss provisions associated with lower collections and tenant failure; and higher vacancy levels relative to the Base scenario. When combined these adverse assumptions result in NRI being c. 30% lower than NRI in 2022.

##### **Conclusion**

Based on the above assessment, under both the Base and Severe but plausible scenarios, the Partnership has sufficient liquidity on a stand-alone basis for a period of at least 12 months from the date of signing these financial statements. Accordingly, the Directors are satisfied that they can prepare the financial statements on the going concern basis.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (c) Revenue and net rental income

Revenue comprises gross rental income (consisting of base and turnover rents, income from car parks, lease incentive recognition and other rental income) and service charge income. These income streams are recognised in the period to which they relate as set out below.

Rental income from investment property is recognised as revenue on a straight-line basis over the lease term. Lease incentives and costs associated with entering into tenant leases are amortised over the lease term as a reduction in rental income. Lease modifications are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. On entering into a lease modification any initial direct costs associated with the lease, including surrender premia previously paid, are derecognised through rental expense in the year. Rent reviews are recognised when such reviews have been agreed with tenants.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example increases arising on rent reviews and turnover rent, are variable consideration and are recorded as income using the most reliable estimates of such consideration in the periods in which they are earned and based on the most reliable estimates of the value of such consideration.

The Partnership's revenue from contracts with customers includes service charge income and car park income and is recognised in accordance with the following performance obligations:

- Service charge income is recognised over the period the respective services are provided.
- Car park income is recognised at point in time when the customer has completed use of their car parking space.

##### (d) Net finance income/(costs)

Net finance income/(costs) includes interest payable on borrowings, net of interest receivable on funds invested.

##### (e) Distributions

Revaluation gains and losses on properties form part of amounts available for distribution and distributions are recognised in the statement of changes in equity when they are declared.

##### (f) Investment properties

Investment properties are stated at fair value, being market value determined by professionally qualified external valuers, and changes in fair value are included in the income statement. Accordingly, no depreciation is provided.

Expenditure incurred on investment properties is capitalised where it is probable that the future economic benefits associated with the investment property will flow to the entity, and the cost can be reliably measured. This includes the recognition of capitalised tenant incentives, less amortisation and impairment, capitalised interest and other capital expenditure.



## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (g) Trade and other receivables

Trade and other receivables are initially measured at fair value, subsequently measured at amortised cost and, where the effect is material, discounted to reflect the time value of money. Trade and other receivables are shown net of any loss allowance provision. In order to calculate any loss allowance, the Partnership applies the simplified approach to determine the Expected Credit Loss (ECL).

In addition the Partnership charges to the income statement a provision for deferred revenue owing but which has not yet been recognised in the income statement owing to the period to which it relates.

Other receivables include loans receivable which are financial assets and are initially measured at fair value, plus acquisition costs, and are subsequently measured at amortised cost, using the effective interest method, less any impairment.

##### (h) Trade and other payables

Trade and other payables are non-interest bearing and are stated at cost which equates to their fair value.

##### (i) Borrowings

Borrowings are recognised initially at fair value, after taking account of any discount on issue and attributable transaction costs. Subsequently, borrowings are held at amortised cost, such that discounts and costs are charged as finance costs to the income statement over the term of the borrowing at a constant return on the carrying value of the liability.

##### (j) Financial instruments

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

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

Financial assets are derecognised when and only when either

- the contractual rights to the cash flows from the financial asset expire or are settled,
- the Partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or
- the Partnership, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (k) Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less which are readily accessible.

##### (l) Critical accounting policies and estimation uncertainties

The preparation of financial statements requires management to make judgements, estimates and assumptions about the application of its accounting policies which affect the reported amounts of assets, liabilities, income and expenses. Actual amounts and results may differ from those estimates.

Judgements and estimates are evaluated regularly and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Any revisions to accounting estimates are recognised in the period in which the estimate is revised.

##### Significant estimates

###### **Property valuations**

###### *Backdrop*

The valuation of the Partnership's portfolio of properties is the most material area of estimation due to its inherent subjectivity, reliance on assumptions and sensitivity to market fluctuations. The property portfolio is valued by external valuers in accordance with RICS Valuation - Global Standards and during the year all Covid-19 related assumptions from the valuations were removed.

The 31 December 2022 report includes a general commentary on wider issues including uncertainty caused by the war in Ukraine and associated cost, supply chain, rising interest rates and inflationary pressures. Key areas of estimate highlighted included:

- Estimation of market rents based on an increased level of activity
- Consideration of appropriate levels of void costs and rent-free period
- The impact of shortening lease lengths
- The basis of yield assumptions recognising the selective return of investor appetite towards the retail sector

###### *Methodology*

Investment properties, excluding properties held for development, are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to estimated future rental income streams reflecting contracted income reverting to ERV with appropriate adjustments for income voids arising from vacancies, lease expiries or rent-free periods. These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are considered to be key inputs to the valuations. Where comparable evidence of yield movement is lacking, valuers are reliant on sentiment or the movement of less comparable assets. Factors that are taken into account include, but are not limited to, the location and physical attributes of the property, tenure, tenancy details, lease expiry profile, rent collection, local taxes, structural and environmental conditions. With regards to the latter factor, the valuers currently make limited explicit adjustment to their valuations in respect of environmental, social and governance ('ESG') matters. However, both the Directors and the valuers anticipate that ESG will have a greater influence on valuations in the future as investment markets place a greater emphasis on this topic and valuers comply with the RICS Guidance Note Sustainability and ESG in Commercial Property Valuation, which took effect from 31 January 2022.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (I) Critical accounting policies and estimation uncertainties

###### **Impairment of trade receivables**

Estimates made in assessing the provisions for impairment of trade (tenant) receivables require consideration of future events which therefore make the provisions inherently subjective. The Partnership applies a simplified approach by adopting a provisioning matrix to determine the Expected Credit Loss (ECL), grouping receivables dependent on risk level. In making these assessments, key factors the Partnership takes into account include:

- Credit ratings
- Latest information on occupiers' financial standing including the relative risk of the retail subsector in which they operate
- Historical default rates
- Ageing
- Rent deposits (included as part of payables)
- Guarantees held
- The probability that tenants will serve out the remainder of the contractual terms of their leases

In assessing the current year provision, consideration has been given to the outturn of the prior year provision. Specific higher provisioning levels may be applied where information is available which suggests this is required, for instance, if the likelihood of default or tenant failure is deemed to be very high, a full provision is applied. Trade receivables are written off when there is no feasible possibility of recovery and enforcement activity has ceased.

Over the course of 2022, conditions affecting collections improved, especially as most of the government restrictions on collections were lifted in March 2022 and final restrictions were lifted in September 2022. Improved collection rates have resulted in a reduction in gross trade receivables and a reappraisal of provisioning rates. Applying the assessment criteria set out above, provisioning rates have been reduced to reflect the improving trend and the reduction in the loss allowance provision in 2022 relates partly to utilisations of the provision for amounts now written off as well as the reversal of loss allowances brought forward no longer required, reflecting collections and concessions agreed.

In addition, the Directors have assessed the recoverability of amounts due from related undertakings, taking into account the value of their underlying net assets.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 2. LIMITED PARTNERSHIP AGREEMENT ('THE AGREEMENT')

- (a) The Agreement dated 21 July 1999 (amended and restated on 21 July 2022) states that the purpose of the Partnership is to carry out property investment and development.
- (b) At 31 December 2022, Bull Ring (GP) Limited acting as the General Partner had an interest of 0.46% (2021: 0.46%) in the profits and assets of the Partnership.
- (c) At 31 December 2022, the Limited Partners had a combined interest of 99.54% (2021: 99.54%) in the profits and assets of the Partnership, split as follows:

	2022 %	2021 %
Hammerson Bull Ring Limited	24.885	33.1800
Hammerson Bull Ring 2 Limited	24.885	-
Bull Ring Unit Trust	49.770	-
Bull Ring Joint Venture Unit Trust	-	33.1800
HSCF BRLP1 Limited	-	16.9218
HSCF BRLP2 Limited	-	16.2582
	<u>99.540</u>	<u>99.5400</u>

#### 3. REVENUE AND NET RENTAL INCOME

	2022 £'000	2021 £'000
Base rent	30,050	25,916
Turnover rent	4,727	1,367
Car park income	7,203	5,063
Lease incentive recognition	(1,018)	(763)
Other rental income	4,013	4,776
	<u>44,975</u>	<u>36,359</u>
Gross rental income	44,975	36,359
Service charge income	7,263	7,413
	<u>52,238</u>	<u>43,772</u>
<b>Revenue</b>	<b>52,238</b>	<b>43,772</b>
Service charge expenses	(9,465)	(10,086)
Inclusive lease costs recovered through rent	(874)	(598)
Other property outgoings	(5,721)	(5,156)
	<u>(16,060)</u>	<u>(15,840)</u>
Rents payable and other property outgoings	(16,060)	(15,840)
Change in the provision for amounts not yet recognised in the income statement	488	2,246
	<u>488</u>	<u>2,246</u>
<b>Net rental income</b>	<b>36,666</b>	<b>30,178</b>

\* Includes decrease in provision against trade receivables, for amounts recognised in the income statement, of £2,206,000 (2021: £3,764,000) and decrease in provision against unamortised tenant incentives of £593,000 (2021: £129,000 increase).

# THE BULL RING LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

### 4. ADMINISTRATIVE EXPENSES

	2022 £'000	2021 £'000
Management fees to Hammerson UK Properties Limited	1,538	1,354
Valuation fees	45	45
Reversal of impairment of amounts owed by Limited Partners	(615)	-
Fees payable to the Partnership's auditor for the audit of the financial statements	39	37
Insurance administration credit	(129)	(126)
Other expenses	20	26
	<b>898</b>	<b>1,336</b>

The Partnership had no employees (2021: none).

The Directors of the General Partner did not receive any remuneration for their services to the Partnership (2021: £nil). The services of the Directors of the General Partner are of a non-executive nature.

### 5. NET FINANCE INCOME/(COSTS)

	2022 £'000	2021 £'000
Interest receivable	282	-
Other interest payable	-	(1)
	<b>282</b>	<b>(1)</b>

### 6. INVESTMENT PROPERTIES

#### (a) Analysis of movements in the year:

	2022 £'000	2021 £'000
<b>Long leasehold</b>		
At 1 January	561,000	627,750
Additions	15,116	12,794
Amortisation of lease incentives	(1,191)	(1,141)
Revaluation loss	(34,425)	(78,403)
At 31 December	<b>540,500</b>	<b>561,000</b>

The properties are stated at fair value, valued by professionally qualified external valuers in accordance with the RICS Valuation – Global standards by CBRE Limited, Chartered Surveyors. The valuations have been prepared based on certain assumptions as set out in note 1(l).

#### (b) Sensitivity analysis on valuation:

Valuation £'000	Nominal equivalent yield		Estimated rental value (ERV)	
	-100bp £'000	+100bp £'000	+10% £'000	-10% £'000
<b>Long leasehold</b>	<b>540,500</b>	<b>86,981 (65,802)</b>	<b>54,050</b>	<b>(54,050)</b>

# THE BULL RING LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

### 7. INVESTMENT PROPERTIES (CONTINUED)

(c) Unamortised tenant incentives included in capital expenditure:

	2022 £'000	2021 £'000
Unamortised tenant incentives	3,825	4,840
Loss allowance provision	(859)	(1,452)
	<u>2,966</u>	<u>3,388</u>

(d) The historical cost of investment properties, including lease incentives, at 31 December 2022 was £512,933,000 (2021: £499,008,000).

### 8. TRADE AND OTHER RECEIVABLES

(a) Analysis of trade and other receivables

	2022 £'000	2021 £'000
Trade receivables	6,882	5,054
Amounts due from related undertakings:		
- Grand Central Limited Partnership	2	-
- Hammerson Birmingham Investments Limited	30	24
- Hammerson Operations Limited	-	28
- Hammerson UK Properties Limited	353	-
- Canada Pension Plan Investment Board	321	-
- Amounts owed by Limited Partners	-	49
Other receivables	4,460	3,702
VAT receivable	378	85
Prepayments	37	1,059
	<u>12,463</u>	<u>10,001</u>

All amounts owed by related undertakings are unsecured, payable on demand and are non-interest bearing.

(b) Trade receivables provisioning

	2022 £'000	2021 £'000
Gross trade receivables	8,487	9,353
Loss allowance provision	* (1,605)	(4,299)
	<u>6,882</u>	<u>5,054</u>

\* Loss allowance includes credits of £2,694,000 (2021: £6,010,000), of which £488,000 (2021: £2,246,000) relates to provision for amounts not yet recognised in the income statement.

## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 8. CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash at bank	† 18,003	45,602

† 2021 figure has been restated with further information provided in note 1(a). The effect is that £3,562,000 held by third party managing agents in respect of tenant deposits and service charges has been reclassified into cash and cash equivalents having previously been separately disclosed as restricted monetary assets. The previously disclosed cash and cash equivalents balance was therefore £42,040,000. The equivalent balance included for 2022 was £3,436,000.

#### 9. TRADE AND OTHER PAYABLES: CURRENT

	2022 £'000	2021 £'000
Trade payables	9,088	10,029
Amounts due to related undertakings:		
- Hammerson Group Management Limited	225	84
- Limited Partners	1,750	1,664
Other payables and accruals	5,244	3,997
Deferred income	6,253	6,155
	<u>22,560</u>	<u>21,929</u>

All amounts owed to related undertakings are unsecured, repayable on demand and are non-interest bearing.

#### 10. TRADE AND OTHER PAYABLES: NON-CURRENT

	2022 £'000	2021 £'000
Other payables due		
- Between two and five years	40	90
- Over five years	951	794
	<u>991</u>	<u>884</u>

All amounts are unsecured and are non-interest bearing.

#### 11. PARTNERS' EQUITY

	2022 £'000	2021 £'000
Partners' capital accounts		
- General Partner	686	686
- Limited Partners	148,465	148,465
	<u>149,151</u>	<u>149,151</u>
Partners' current accounts	398,264	444,639
	<u>547,415</u>	<u>593,790</u>

The Partners' capital contribution is in proportion to each partner's interest. Under the Limited Partnership Agreement no further capital is required to be injected and no interest is payable on the capital.

The Partners' current accounts represent the cumulative profits and losses of the Partnership after deduction of distributions to the Partners.

## 12. THE PARTNERSHIP AS LESSOR – OPERATING LEASE RECEIPTS

The Partnership leases its investment properties under non-cancellable operating leases. The future minimum rentals receivable are set out below. The data is for the period to the first tenant break option.

	2022 £'000	2021 £'000
<b>Future minimum rentals receivable under non-cancellable leases</b>		
Within one year	27,475	27,066
From one to two years	23,346	24,356
From two to five years	35,419	38,149
Over five years	44,962	30,234
	<u>131,202</u>	<u>119,805</u>

## 13. FINANCIAL INSTRUMENTS

Financial assets and liabilities are all measured at amortised cost and are grouped as follows:

	2022 £'000	2021 £'000
<b>Financial assets</b>		
Trade receivables	6,882	5,054
Amounts due from related undertakings	706	101
Other receivables	4,460	3,702
Cash and cash equivalents †	18,003	45,602
	<u>30,051</u>	<u>54,459</u>
<b>Financial liabilities</b>		
Trade payables	9,088	10,029
Amounts due to related undertakings	1,975	1,748
Other payables and accruals	5,244	3,997
Other payables: non-current	991	884
	<u>17,298</u>	<u>16,658</u>

† 2021 figures have been restated with further information provided in notes 1(a) and 8.

## 14. CAPITAL COMMITMENTS

	2022 £'000	2021 £'000
Capital commitments	<u>13,720</u>	<u>25,400</u>



## THE BULL RING LIMITED PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2022

#### 15. RELATED PARTIES

Other than disclosed in the statement of changes in equity and in notes 4, 7 and 9 there were no material related party transactions during the current or preceding year.

The Partnership entered into related party transactions or had balances outstanding with the following related parties:

<b>Related party</b>	<b>Relationship</b>
Bull Ring (GP) Limited	General Partner
Bull Ring Joint Venture Unit Trust	Limited Partner
Hammerson Bull Ring Limited	Limited Partner
HSCF BRLP1 Limited	Limited Partner
HSCF BRLP2 Limited	Limited Partner
Grand Central Limited Partnership	Partnership under common control of ultimate parent companies
Hammerson Birmingham Investments Limited	Indirect subsidiary of Hammerson plc
Hammerson Group Management Limited	Direct subsidiary of Hammerson plc
Hammerson Operations Limited	Indirect subsidiary of Hammerson plc
Hammerson UK Properties Limited	Indirect subsidiary of Hammerson plc
Canada Pension Plan Investment Board	Ultimate parent company

#### 16. ULTIMATE CONTROLLING PARTIES

At 31 December 2021, the ultimate controlling parties of the Partnership were Hammerson plc, Canada Pension Plan Investment Board and UK Shopping Centre Fund. On 21 July 2022, Canada Pension Plan Investment Board acquired the interest previously held by UK Shopping Centre Fund, and the interests of the immediate controlling parties of the Partnership were reorganised (see note 2).

At 31 December 2022, the ultimate controlling parties were Hammerson plc and Canada Pension Plan Investment Board, which are registered in England and Wales and Canada, respectively.

The consolidated financial statements of the ultimate controlling parties into which the share of results of the Partnership are incorporated are available from their registered offices:

Hammerson plc The Company Secretarial Department Marble Arch House 66 Seymour Street London W1H 5BX	Canada Pension Plan Investment Board Company Secretary One Queen Street East, Suite 2600 Toronto, Ontario, M5C 2W5, Canada
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