

Registered Number: 3744396

**BULL RING (GP) LIMITED**

**REPORT AND ACCOUNTS**

Year ended 31 December 2003



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# **BULL RING (GP) LIMITED**

## **REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003**

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### **Directors**

R. J. Akers  
R. H. De Barr  
J. A. Bywater (alternate to G.H. Wright)  
P. W. B. Cole  
J. M. Emery  
G. Field  
C. E. Palmer  
R. J. G. Richards (alternate to P.W.B. Cole)  
N. C. Varnham  
M. B. White  
L. F. Hutchings (alternate to M.B. White)  
G. H. Wright

### **Secretary and registered office**

Henderson Secretarial Services Limited  
4 Broadgate  
London EC2M 2DA

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

### **REPORT OF THE DIRECTORS**

Year ended 31 December 2003

The directors present their report and accounts for the year ended 31 December 2003.

#### **Principal activities and future prospects**

The Company acts as general partner in The Bull Ring Limited Partnership, a property investment partnership (registered at 4 Broadgate, London, EC2M 2DA) to re-develop Birmingham City Centre. The limited partners are LS Bull Ring Limited, Hammerson UK Properties plc and Pearl Assurance plc. No changes to the Company's activities are anticipated.

#### **Results and dividends**

The Company made a profit of £19,000 during the year (2002: loss £3,000). The directors do not recommend the payment of a dividend (2002: £nil).

The Bullring Shopping Centre in Birmingham was officially opened on 4 September 2003.

#### **Directors and their interests**

The directors of the Company are set out on page 1, all of whom held office throughout the year except as follows:

<u>Name</u>	<u>Date of Appointment</u>	<u>Date of Resignation</u>
R.J. Akers	21 January 2003	
P.J.J. Cleary		21 January 2003

Since the year end the following changes have taken place.

<u>Name</u>	<u>Date of Appointment</u>	<u>Date of Resignation</u>
L.F. Hutchings	13 April 2004	

During the year none of the directors had any interests in the shares of the Company which require to be disclosed under the Companies Act 1985.

#### **Registered office**

The Company's registered office address is 4 Broadgate, London EC2M 2DA.

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

### **REPORT OF THE DIRECTORS (continued)**

Year ended 31 December 2003

#### **Auditors**

On 1 August 2003 Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of Section 26(s) of the Companies Act 1989.

Deloitte & Touche LLP have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1985.

#### **Elective resolutions**

Elective resolutions are in force which were approved by the Company's shareholders on 9 May 2000 to dispense with the following requirements:

1. to re-appoint auditors annually;
2. to hold an Annual General Meeting; and
3. to lay the accounts before the Company in general meeting.

By order of the Board



S. J. Whiteside

For and on behalf of Henderson Secretarial Services Limited, Secretary

13 July 2004.

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

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS**

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BULL RING (GP) LIMITED**

We have audited the financial statements of Bull Ring (GP) Limited for the year ended 31 December 2003 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movements in shareholder's funds and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors

London

13 July 2004

16 AUGUST

**BULL RING (GP) LIMITED****PROFIT AND LOSS ACCOUNT**Year ended 31 December 2003

	<b>Note</b>	<b>2003 £'000</b>	<b>2002 £'000</b>
Gross rental income		54	-
Rents payable and other property outgoings		(22)	(4)
		-----	-----
Net rental income/(expense)	1(c)	32	(4)
Administration expenses	2	(3)	-
		-----	-----
Profit/(loss) on ordinary activities before interest		29	(4)
Interest received and similar income		1	1
		-----	-----
Profit/(loss) on ordinary activities before taxation		30	(3)
Taxation	3	(11)	-
		-----	-----
Retained profit/(loss) for the financial year	10	19	(3)
		=====	=====


All activities derive from continuing operations.

**BULL RING (GP) LIMITED****BALANCE SHEET**31 December 2003

	Note	2003		2002	
		£'000	£'000	£'000	£'000
<b>Tangible fixed assets</b>					
Land and buildings	4		3,251		1,511
<b>Current assets</b>					
Debtors	5	4		23	
Cash at bank and in hand		66		28	
		-----		-----	
		70		51	
<b>Creditors: amounts falling due within one year</b>	6	(26)		(76)	
		-----		-----	
<b>Net current assets</b>			3,295		1,486
<b>Creditors: amounts falling due after more than one year</b>	7		(2,025)		(1,483)
			-----		-----
<b>Total assets less current liabilities</b>			1,270		3
<b>Provisions for liabilities and charges</b>	8		(11)		-
			-----		-----
			1,259		3
<b>Net assets</b>			=====		=====
<b>Capital and reserves</b>					
Called up share capital	9		2		2
Revaluation reserve	10		1,237		-
Profit and loss account	10		20		1
			-----		-----
<b>Shareholders' funds</b>			1,259		3
			=====		=====

The financial statements were approved by the Board of Directors on 13 July 2004.

Signed on behalf of the Board of Directors by



Director



**BULL RING (GP) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**Year ended 31 December 2003

	<b>2003</b> <b>£'000</b>	<b>2002</b> <b>£'000</b>
Retained profit/(loss) for the financial year	19	(3)
Surplus arising on revaluation	1,237	-
	-----	-----
Total recognised gains and losses for the year	<u>1,256</u>	<u>(3)</u>

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Year ended 31 December 2003

	<b>2003</b> <b>£'000</b>	<b>2002</b> <b>£'000</b>
Shareholders' funds at 1 January	3	6
Retained profit/(loss) for the year	19	(3)
Surplus arising on revaluation	1,237	-
	-----	-----
Shareholders' funds at 31 December	<u>1,259</u>	<u>3</u>

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

### **NOTES TO THE ACCOUNTS**

Year ended 31 December 2003

#### **1. ACCOUNTING POLICIES**

##### **(a) Basis of accounting**

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable United Kingdom accounting standards. The financial statements are prepared as if governed by the Companies Act 1985 except that, as explained below, investment properties are not depreciated.

##### **(b) Joint arrangements**

The financial statements include the financial statements of the Company together with the Company's share of assets and liabilities arising from joint arrangements.

##### **(c) Net rental income**

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

Differences between property operating expenditure incurred and that recovered from tenants through services charges are included in net rental income.

##### **(d) Cost of properties**

An amount equivalent to the net development outgoings, including interest, attributable to properties held for development or resale is added to the cost of such properties. A property is regarded as being in the course of development until ready for its intended use.

##### **(e) Valuation of properties**

Properties held for the long term are valued at the balance sheet date at market value. Surpluses and deficits arising from revaluation are taken to the revaluation reserve.

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

### **NOTES TO THE ACCOUNTS**

Year ended 31 December 2003

(f) Depreciation

In accordance with Statement of Standard Accounting Practice No 19 "Accounting for investment properties" no depreciation is provided in respect of freehold properties or leasehold properties with over 20 years to expiry. This is a departure from the requirements of the Companies Act 1985 which requires all properties to be depreciated. Such properties are not held for consumption, but for investment, and the directors consider that to depreciate them would not give a true and fair view. Depreciation is only one amongst many factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The directors consider that this policy results in the accounts giving a true and fair view.

(g) Deferred tax

In accordance with Financial Reporting Standard 19 "Deferred Tax" deferred tax is now provided in respect of timing differences that may give rise to an obligation to pay more or less tax in the future.

## **2. ADMINISTRATION EXPENSES**

The directors did not receive any remuneration for services to the Company in the current or preceding financial years.

The Company had no employees in either the current or preceding year.

The Bull Ring Limited Partnership has paid the auditors' remuneration in both the current and preceding years.

## **3. TAXATION**

	<b>2003</b>	<b>2002</b>
	<b>£'000</b>	<b>£'000</b>
Tax charge for the year		
Deferred tax	11	-

Due to the availability of capital allowances, the Company has tax losses in the year which are being carried forward.

## BULL RING (GP) LIMITED

### NOTES TO THE ACCOUNTS

Year ended 31 December 2003

#### 4. LAND AND BUILDINGS

(a)

**Long leasehold**  
**£'000**

At 1 January 2003	1,511
Additions at cost	503
Surplus arising on revaluation	1,237
	-----
At 31 December 2003	3,251
	=====

(b) The partnerships' property is stated at market value at 31 December 2003, valued by professionally qualified external valuers. The valuation has been prepared by DTZ Debenham Tie Leung, Chartered Surveyors, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors. The surplus arising on revaluation has been transferred to the revaluation reserve.

(c) The historical cost of investment properties at 31 December 2003 was £2,014,000 (2002: £1,511,000).

(d) Capital commitments

	<b>2003</b>	<b>2002</b>
	<b>£'000</b>	<b>£'000</b>
Contracted for, but not provided	92	630
	=====	=====

(e) Contingent tax

Should the property be sold at book value a tax liability of approximately £360,000 (2002: £nil) would arise.

**BULL RING (GP) LIMITED****NOTES TO THE ACCOUNTS**Year ended 31 December 2003**5. DEBTORS**

	<b>2003</b> <b>£'000</b>	<b>2002</b> <b>£'000</b>
Trade debtors	4	1
Other debtors	-	22
	-----	-----
	4	23
	=====	=====

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2003</b> <b>£'000</b>	<b>2002</b> <b>£'000</b>
Amounts owed to partners	4	3
Other creditors	16	-
Accruals	6	73
	-----	-----
	26	76
	=====	=====

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2003</b> <b>£'000</b>	<b>2002</b> <b>£'000</b>
Other creditors	2,025	1,483
	=====	=====

Other creditors represent amounts owed to the partners of the Bull Ring Limited Partnership. The amounts owed are interest free and are only repayable in the event that the Partnership is wound up. They are not repayable by instalments. In the opinion of the directors, these loans are not repayable within one year, so they have been classified in creditors falling due after more than one year in both the current year and the prior year.

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

### **NOTES TO THE ACCOUNTS**

Year ended 31 December 2003

#### **8. PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Deferred tax		
Accelerated capital allowances	11	-

#### **9. CALLED UP SHARE CAPITAL**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Authorised, called up, allotted and fully paid 180,000 shares of 1p each	1,800	1,800

#### **10. RESERVES**

	<b>Revaluation reserve £'000</b>	<b>Profit and loss account £'000</b>
Balance at 1 January 2003	-	1
Profit retained for the year	-	19
Surplus arising on revaluation	1,237	-
	-----	-----
Balance at 31 December 2003	1,237	20

#### **11. RELATED PARTIES**

Other than disclosed in notes 6 and 7, there were no material related party transactions during the year.

#### **12. CONTROLLING PARTIES**

The Ordinary 1p shares are owned by Hammerson Birmingham Properties Limited, Henderson (Bull Ring) Limited and LS Birmingham Limited. The ultimate controlling parties are Hammerson plc, HHG PLC and Land Securities plc respectively.