

Company Number: 4170271

**HAMMERSON (KINGSTON) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
Year ended 31 December 2016



## **HAMMERSON (KINGSTON) LIMITED**

### **REPORT OF THE DIRECTORS**

Year ended 31 December 2016

The Directors' Report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and consequently no Strategic Report has been prepared.

#### **1. PRINCIPAL ACTIVITIES**

The principal activity of the Company is property investment in the United Kingdom. On 14 December 2015, the Company disposed of its property. The Directors anticipate there will be residual property related activities in the foreseeable future.

#### **2. RESULTS AND DIVIDENDS**

The profit for the year after tax was £3,000 (2015: £22,000). The Directors do not recommend the payment of a dividend for the year (2015: £nil).

#### **3. DIRECTORS**

- (a) Mr. A.J. Berger-North, Mr. P.W.B. Cole and Mr. M. Plocica were Directors of the Company throughout the year.
- (b) Mr. M. Plocica resigned as a Director of the Company on 17 March 2017.
- (c) Mr. M. Bourgeois was appointed as a Director of the Company on 17 March 2017.
- (d) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- (e) No Director has any interests in contracts entered into by the Company.

#### **4. SECRETARY**

Hammerson Company Secretarial Limited was Secretary of the Company throughout the year.

#### **5. INDEMNITY**

The Company's ultimate parent company, Hammerson plc, has put in place qualifying third party indemnity provisions for the benefit of the Company's Directors, which were in place throughout the year and which remain in place at the date of approval of this report.

#### **6. AUDITOR**

BDO LLP shall be deemed to be re-appointed as auditor for a further term under the provisions of section 487(2) of the Companies Act 2006.

BDO LLP have indicated their willingness to continue in office.

**HAMMERSON (KINGSTON) LIMITED**

**REPORT OF THE DIRECTORS**  
**Year ended 31 December 2016**

**7. PROVISION OF INFORMATION TO THE AUDITOR**

Each of the persons who is a Director of the Company at the date of approval of this report has confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

By order of the Board



**B. Lees**

For and on behalf of  
Hammerson Company Secretarial Limited  
acting as Secretary  
Date: 13 July 2017

Registered Office:  
Kings Place, 90 York Way  
London N1 9GE  
Registered in England and Wales No. 4170271

## **HAMMERSON (KINGSTON) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **HAMMERSON (KINGSTON) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (KINGSTON) LIMITED**

We have audited the financial statements of Hammerson (Kingston) Limited for the year ended 31 December 2016, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's sole member, 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 sole member 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 sole member, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on 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 2016 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.

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

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

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

**HAMMERSON (KINGSTON) LIMITED**

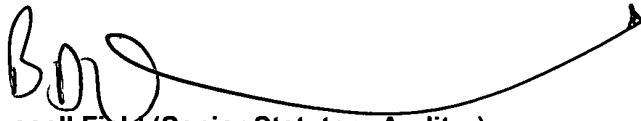
**INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF HAMMERSON (KINGSTON) LIMITED (CONTINUED)**

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

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

We have nothing to report in respect of the following matters where 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; or
- the Directors were not entitled to take advantage of the small companies' exemption from preparing a Strategic Report or in preparing the Directors' Report.

A handwritten signature in black ink, appearing to read 'BDO', with a long, sweeping horizontal line extending to the right.

**Russell Field (Senior Statutory Auditor)**  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick, United Kingdom  
Date: 17 July 2017

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

**HAMMERSON (KINGSTON) LIMITED****STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 December 2016**

	<b>Notes</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Gross rental income		<b>3</b>	630
Rents payable and other property outgoings		<b>(41)</b>	(179)
Net rental (outgoings)/income	1(c)	<b>(38)</b>	451
Administration expenses	2	<b>-</b>	(86)
Operating (loss)/profit before loss on sale of property		<b>(38)</b>	365
Loss on sale of property	3	<b>-</b>	(165)
Operating (loss)/profit		<b>(38)</b>	200
Net finance income/(costs)	4	<b>41</b>	(178)
Profit on ordinary activities before and after taxation and total comprehensive income for the financial year	5	<b>3</b>	22

All amounts relate to continuing activities

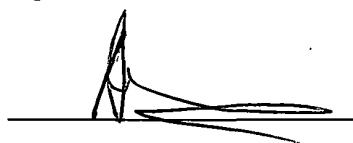
# HAMMERSON (KINGSTON) LIMITED

## BALANCE SHEET At 31 December 2016

	Notes	2016 £'000	2015 £'000
<b>Tangible fixed assets</b>			
Investment property	6(a)	-	-
<b>Current assets</b>			
Receivables	7	3,718	12,265
Cash and deposits	8	-	34
		<u>3,718</u>	<u>12,299</u>
<b>Current liabilities</b>			
Payables	9	<u>(9)</u>	<u>(8,593)</u>
<b>Net current assets</b>		<u>3,709</u>	<u>3,706</u>
<b>Total assets less current liabilities</b>		<u>3,709</u>	<u>3,706</u>
<b>Net assets</b>		<u>3,709</u>	<u>3,706</u>
<b>Capital and reserves</b>			
Called up share capital	10	10,000	10,000
Accumulated deficit	11	<u>(6,291)</u>	<u>(6,294)</u>
<b>Shareholder's equity</b>		<u>3,709</u>	<u>3,706</u>

These financial statements were approved by the Board of Directors on 13 July 2017 and authorised for issue on 13 July 2017.

Signed on behalf of the Board of Directors



**A.J. Berger-North**  
Director  
Company Number: 4170271



**HAMMERSON (KINGSTON) LIMITED****STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 December 2016**

	<b>Called up share capital £'000</b>	<b>Accumulated deficit £'000</b>	<b>Total equity £'000</b>
Balance at 1 January 2015	10,000	(6,316)	3,684
Profit and other comprehensive income for the year	-	22	22
Balance at 31 December 2015	10,000	(6,294)	3,706
Profit and other comprehensive income for the year	-	3	3
Balance at 31 December 2016	<b>10,000</b>	<b>(6,291)</b>	<b>3,709</b>

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 1. ACCOUNTING POLICIES

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

##### (a) Basis of accounting

###### *Basis of preparation*

Hammerson (Kingston) Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act. The nature of the Company's operations and its principal activities are set out on page 1. The address of the registered office is Kings Place, 90 York Way, London, N1 9GE.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") as issued by the Financial Reporting Council.

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

###### *Disclosure exemptions adopted*

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the Company's capital;
- certain disclosures in relation to financial instruments held by the Company;
- certain disclosures in relation to the Company's investment properties carried at fair value
- a statement of cash flows;
- the effect of future accounting standards not yet adopted; and
- disclosure of related party transactions with wholly owned members of the group headed by the ultimate parent company, Hammerson plc.

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Hammerson plc into which the Company is consolidated. The financial statements of Hammerson plc can be obtained as described in note 13.

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 1. ACCOUNTING POLICIES (continued)

(b) Going concern

The financial position of the Company is as set out in the Balance Sheet. The Directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about the future trading performance. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

(c) Net rental income

Rental income from investment property leased out under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term. Contingent rents, such as turnover rents, rent reviews and indexation are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

Lease incentives and costs associated with entering into tenant leases are added to the costs of property and are amortised over the lease term or, if the probability that the break option will be exercised is considered high, over the period to the first break option.

Property operating expenses are expensed as incurred and any property operating expenditure not recovered from tenants through service charges is charged to the statement of comprehensive income.

(d) Net finance income/(costs)

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

(e) Investment properties

The Company applies the fair value accounting model to investment properties, being market value determined by professionally qualified external valuers. Changes in fair value are recognised in profit or loss. All costs directly associated with the purchase and construction of a property are capitalised.

(f) Loss on sale of properties

Loss on sale of properties are taken into account on completion of contract, and are calculated by reference to the carrying value at the end of the previous year, adjusted for subsequent capital expenditure and selling expenses.

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 1. ACCOUNTING POLICIES (continued)

##### (g) Loans receivable

Loans receivable are financial assets which 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) 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 to the statement of comprehensive income over the term of the borrowing at a constant return on the carrying value of the liability.

##### (i) Financial instruments

Financial assets and financial liabilities are recognised when the Company 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 only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company 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 a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, 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.

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

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.

## **HAMMERSON (KINGSTON) LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2016**

#### **2. ADMINISTRATION EXPENSES**

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Management fee payable to fellow group company	<u>-</u>	<u>86</u>

The average number of employees during the year, excluding Directors, was nil (2015: nil).

The Directors did not receive any remuneration for services to the Company in either the current or preceding financial year. In addition there were no payments to key management personnel.

Another group company has paid the auditor's fees for the audit of the Company's annual accounts in both the current and preceding financial year. Fees for the audit of the Company were £800 (2015: £2,750).

#### **3. LOSS ON SALE OF PROPERTY**

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Gross proceeds on sale	-	12,000
Carry value of property sold	<u>-</u>	<u>(12,000)</u>
Surplus over carrying value	-	-
Selling expenses	<u>-</u>	<u>(165)</u>
Loss on sale of property	<u>-</u>	<u>(165)</u>

#### **4. NET FINANCE INCOME/(COSTS)**

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Interest receivable/(payable) to ultimate parent company	<u>41</u>	<u>(178)</u>

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 5. TAXATION

The Company's ultimate parent company, Hammerson plc is taxed as a UK Real Estate Investment Trust ("UK REIT"), and as a consequence, group companies are exempted from UK corporation tax on the profits of a UK property rental business and on the gains on UK investment properties.

Group companies remain subject to UK corporation tax on items other than UK property rental profits and gains on UK investment properties, but, as the Group has surplus tax losses, the Group's policy is for these taxable profits and losses to be fully offset by group relief surrendered without payment, so that individual subsidiaries do not bear tax.

The Company therefore had no tax charge for the year, and this is expected to continue for the foreseeable future. The profits covered by group relief for the year ended 31 December 2016 are £41,000 (2015: £nil).

#### 6. INVESTMENT PROPERTY

- (a) The movements in the year on property were:

	2016 £'000	2015 £'000
<b>Long leasehold</b>		
At 1 January	-	12,000
Disposal	-	(12,000)
At 31 December	-	-

- (b) The Company disposed of its property interests on 14 December 2015. See note 3.

#### 7. RECEIVABLES

	2016 £'000	2015 £'000
Amounts owed by ultimate parent company	3,716	-
Amounts owed by immediate parent company	-	12,200
Amounts owed by fellow subsidiary undertakings	2	-
Other receivables and prepayments	-	65
	<b>3,718</b>	<b>12,265</b>

All amounts shown under receivables fall due for payment within one year. Interest is charged on amounts owed by the ultimate parent company at variable rates based on LIBOR. Amounts owed by the immediate parent company and fellow subsidiary undertakings are non-interest bearing.

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 8. CASH AND DEPOSITS

	2016 £'000	2015 £'000
Cash at bank	-	34

At 31 December 2015, the Company's managing agent held cash on behalf of the Company which was not restricted and was available to the Company and therefore was included in cash and deposits.

#### 9. PAYABLES: CURRENT LIABILITIES

	2016 £'000	2015 £'000
Trade payables	-	18
Accruals	-	93
Amounts owed to ultimate parent company	-	8,373
Amounts owed to fellow subsidiary undertakings	-	93
Other payables	9	16
	<u>9</u>	<u>8,593</u>

Interest is charged on amounts owed to the ultimate parent company at variable rates based on LIBOR. Amounts owed to fellow subsidiary undertakings are repayable on demand and are non-interest bearing.

#### 10. SHARE CAPITAL

	2016 £'000	2015 £'000
<b>Authorised:</b>		
50,000,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Allotted, called up and fully paid:</b>		
10,000,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

## HAMMERSON (KINGSTON) LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2016

#### 11. RESERVES

The following describes the nature and purpose of each reserve within equity:

<u>Reserve</u>	<u>Description and purpose</u>
Share capital	Nominal value of share capital subscribed for
Accumulated deficit	Cumulative profits and losses less any dividends paid

#### 12. ADVANCES, CREDIT AND GUARANTEES

The Company did not grant any credits, advances or guarantees of any kind to the Directors during the year.

#### 13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

At 31 December 2016, the Company's ultimate parent company was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At 31 December 2016, the Company's immediate parent company was Hammerson UK Properties plc.

The consolidated financial statements of the ultimate parent company, Hammerson plc, are available from that company's registered office, Kings Place, 90 York Way, London N1 9GE.