

Company Number 00643320

WEST QUAY SHOPPING CENTRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2015



WEST QUAY SHOPPING CENTRE LIMITED

REPORT OF THE DIRECTORS **Year ended 31 December 2015**

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 to act as General Partner to The West Quay Limited Partnership. The Directors do not anticipate any significant change in the principal activity in the foreseeable future.

2 CHANGE IN ACCOUNTING FRAMEWORK

The Company has adopted Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") for the first time this year. In previous years, the Company had applied applicable UK accounting standards. The impact of this change is described in note 13.

3 RESULTS AND DIVIDENDS

The profit for the year after tax was £3,957,000 (2014: £4,835,000). The Directors do not recommend the payment of a dividend for the year (2014: £nil).

4 DIRECTORS

- (a) Mr W S Austin, Mr P F Cooper, Mr M Plocica and Mr R G Shaw were Directors of the Company throughout the year and to the date of this report.
- (b) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- (c) No Director has any interests in contracts entered into by the Company.

5 SECRETARY

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

6 INDEMNITY

The Company's ultimate parent company, Hammerson plc, has made 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 this report.

WEST QUAY SHOPPING CENTRE LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Year ended 31 December 2015

7 AUDITOR

Deloitte 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

Deloitte LLP have indicated their willingness to continue in office

8 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 26 September 2016

Registered Office
Kings Place, 90 York Way
London N1 9GE
Registered in England and Wales No 00643320

WEST QUAY SHOPPING CENTRE 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 Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"), and applicable law. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these 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.

WEST QUAY SHOPPING CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST QUAY SHOPPING CENTRE LIMITED

We have audited the financial statements of West Quay Shopping Centre Limited for the year ended 31 December 2015, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 13. 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), including Financial Reporting Standard 101 *Reduced Disclosure Framework*.

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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2015 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WEST QUAY SHOPPING CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST QUAY SHOPPING CENTRE LIMITED (CONTINUED)

Matters on which we are required to report by exception

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



Sara Tubridy FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date 27 September 2016

WEST QUAY SHOPPING CENTRE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Investment income	3	<u>567</u>	<u>574</u>
Operating profit		567	574
Net finance income	4	<u>3,390</u>	<u>4,261</u>
Profit on ordinary activities before and after taxation and total comprehensive income for the financial year		<u>3,957</u>	<u>4,835</u>

All amounts derive from continuing activities

WEST QUAY SHOPPING CENTRE LIMITED**BALANCE SHEET****As at 31 December 2015**

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Tangible fixed assets					
Investments	6		-		-
Current assets					
Receivables	7	218,372		214,415	
Current liabilities					
Payables	8	<u>(226)</u>		<u>(226)</u>	
Net current assets			<u>218,146</u>		<u>214,189</u>
Net assets			<u>218,146</u>		<u>214,189</u>
Capital and reserves					
Called up share capital	9		23,000		23,000
Retained earnings			<u>195,146</u>		<u>191,189</u>
Shareholder's equity			<u>218,146</u>		<u>214,189</u>

These financial statements were approved by the Board of Directors on 26 September 2016 and authorised for issue on 26 September 2016

Signed on behalf of the Board of Directors



R G Shaw

Director

Company Number: 00643320

WEST QUAY SHOPPING CENTRE LIMITED**STATEMENT OF CHANGES IN EQUITY****For the year ended 31 December 2015**

	Called up share capital £'000	Revaluation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2014				
- As previously stated	23,000	114,668	37,568	175,236
- Effect of restatement due to change in accounting framework (see note 13)	-	(114,668)	148,786	34,118
- As restated	23,000	-	186,354	209,354
Profit and other comprehensive income for the year	-	-	4,835	4,835
Balance at 31 December 2014	23,000	-	191,189	214,189
Profit and other comprehensive income for the year	-	-	3,957	3,957
Balance at 31 December 2015	23,000	-	195,146	218,146

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

1. ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently throughout the current and preceding year, except as set out below

(a) Basis of accounting

Basis of preparation

West Quay Shopping Centre Limited is a Company 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 given on page 2.

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 prior year financial statements were prepared in accordance with previous UK GAAP and have been restated for material adjustments on adoption of FRS 101 in the current year. For more information see note 13.

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. 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,
- 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 12.

(b) Going concern

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 annual report and financial statements.

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2015**

1. ACCOUNTING POLICIES (continued)

(c) Investment income

Investment income represents the Company's share of the profit distributions receivable from The West Quay Limited Partnership

(d) Investments

Fixed asset investments, including investments in subsidiaries and other related undertakings, are stated at cost less provision for impairment

(e) Net finance costs

Net finance costs include interest payable on borrowings and interest receivable on funds invested

(f) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

(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 income statement 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.

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

(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.

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 West Quay Limited Partnership ("Partnership"), which is carried in the balance sheet at historical cost less provision for impairment, which is valued 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 accounts. The basis of valuation of the Partnership's investment properties is set out in the notes to the accounts of the Partnership for the year ended 31 December 2015.

2. ADMINISTRATION EXPENSES

The average number of employees during the year, excluding Directors, was nil (2014 nil).

The Directors did not receive any remuneration for services to the Company in either the current or preceding financial year.

The audit fee allocated to the audit of the Company for 2015 is £1,260 (2014 £1,260). The fees have been paid by The West Quay Limited Partnership in both the current and preceding years.

3. INVESTMENT INCOME

	2015 £'000	2014 £'000
Distributions receivable from The West Quay Limited Partnership	<u>567</u>	<u>574</u>

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

4. NET FINANCE INCOME

	2015 £'000	2014 £'000
Interest received from ultimate parent company	3,390	4,261

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. Profits covered by group relief for the year ended 31 December 2015 are £3,396,000 (2014 £4,266,000)

6. INVESTMENTS

	2015 £	2014 £
Cost and net book value		
At 1 January and 31 December	102	102

The investment includes an investment of £100, which represents its 49.995% interest, in The West Quay Limited Partnership which is registered in England and Wales and holds for investment the WestQuay shopping centre in Southampton

The investment also includes the Company's direct shareholding of £2 that is a 100% shareholding in its subsidiary Governeffect Limited, incorporated in the United Kingdom and registered in England and Wales. Governeffect Limited holds an investment comprising a 0.01% beneficial interest in a protective lease on the site of WestQuay, Southampton

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

7. RECEIVABLES CURRENT ASSETS

	2015 £'000	2014 £'000
Amounts owed by ultimate parent company	214,924	211,075
Amounts owed by Limited Partners	3,448	2,881
Amounts owed by fellow subsidiary undertaking	-	459
	<u>218,372</u>	<u>214,415</u>

All amounts shown are repayable on demand. Amounts owed by the ultimate parent company bear interest at variable rates based on LIBOR. Amounts owed by the Limited Partners and the fellow subsidiary undertaking are non-interest bearing.

8. PAYABLES: CURRENT LIABILITIES

	2015 £'000	2014 £'000
Amounts owed to The West Quay Limited Partnership	88	88
Other creditors and accruals	138	138
	<u>226</u>	<u>226</u>

All amounts owed to The West Quay Limited Partnership are repayable on demand and are non-interest bearing.

9. SHARE CAPITAL

	2015 £'000	2014 £'000
Authorised		
115,000,001 Class A ordinary shares of £0.10 each	11,500	11,500
115,000,001 Class B ordinary shares of £0.10 each	11,500	11,500
	<u>23,000</u>	<u>23,000</u>
Allotted, called up and fully paid		
115,000,001 Class A ordinary shares of £0.10 each	11,500	11,500
115,000,001 Class B ordinary shares of £0.10 each	11,500	11,500
	<u>23,000</u>	<u>23,000</u>

The A and B ordinary shares are owned by Hammerson UK Properties plc. All classes of share rank pari passu in all respects.

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

10. 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
Retained earnings	The cumulative profits and losses recognised in retained earnings

11. ADVANCES, CREDIT AND GUARANTEES

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

12. ULTIMATE PARENT COMPANIES AND CONTROLLING PARTIES

At 31 December 2015, 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 2015, 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.

13. EXPLANATION OF TRANSITION TO FRS 101

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 101 ("FRS 101") issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to FRS 101 was therefore 1 January 2014.

Reconciliation of equity

The financial statements for the year ended 31 December 2014 included the financial statements of the Company together with the Company's share of assets and liabilities arising from joint arrangements. West Quay Shopping Centre Limited, acting as the General Partner, had an interest of 49.995% in the net assets of The West Quay Limited Partnership.

Consequently, each of the financial statements headings within the 2014 balance sheet previously reported, included the Company's share of assets and liabilities of the Partnership. At 31 December 2014 the net assets of the Partnership were less than the total investment in the Partnership, therefore on a proportionally consolidated basis the Company's balance sheet reflected its share of this net liability position.

The financial statements for the year ended 31 December 2015 present the assets and liabilities of the Company only. The Company's investment in the Partnership is carried at cost.

The effect on the Company's profit for the year and change in equity are shown below.

WEST QUAY SHOPPING CENTRE LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2015

13. EXPLANATION OF TRANSITION TO FRS 101 (CONTINUED)

Reconciliation of change in profit for the year ended 31 December 2014

	2014 £'000
As previously reported in accordance with UK GAAP	4,841
Reversal of share of profits arising from joint arrangements	(580)
Share of distributions from The West Quay Limited Partnership	<u>574</u>
As reported in accordance with FRS 101	<u>4,835</u>

Reconciliation of equity as at 31 December 2014

	2014 £'000
Balance at 1 January	
- As previously reported in accordance with UK GAAP	175,236
- Reversal of share of revaluation gain arising from joint arrangements	(114,668)
- Reversal of share of accumulated deficit arising from joint arrangements	<u>148,786</u>
- As restated	209,354
Profit for the year	<u>4,835</u>
Balance at 31 December as reported in accordance with FRS 101	<u>214,189</u>

THE WEST QUAY LIMITED PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2015

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 00643320

WEST

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28/09/2016
COMPANIES HOUSE

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THE WEST QUAY LIMITED PARTNERSHIP

REPORT OF THE GENERAL PARTNER **Year ended 31 December 2015**

The General Partner submits its report and the Partnership's financial statements for the year ended 31 December 2015

1 PRINCIPAL ACTIVITIES

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.

2 CHANGE IN ACCOUNTING FRAMEWORK

The Partnership has adopted Financial Reporting Standard 102 ("FRS 102") for the first time this year. In previous years, the Partnership had applied applicable United Kingdom Generally Accepted Accounting Practice ("UK GAAP"). The impact of this change is described in note 21.

3 RESULTS AND DISTRIBUTION

The Partnership made a profit for the financial year of £20,645,000 before partners' interests (2014: £25,636,000). Distributions of £1,134,000 were made during the year (2014: £1,149,000).

4 INDEMNITY

The General Partner's ultimate holding companies, Hammerson plc and Government of Singapore Investments Corporation (Realty) Pte Ltd, have made qualifying third party indemnity provisions for the benefit of their respective Directors of the General Partner which were in place throughout the year and which remain in place at the date of approval of this report.

5 AUDITOR

Deloitte 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.

Deloitte LLP have indicated their willingness to continue in office.

THE WEST QUAY LIMITED PARTNERSHIP

REPORT OF THE GENERAL PARTNER (CONTINUED)

Year ended 31 December 2015

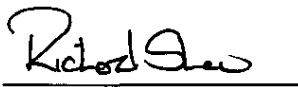
6 PROVISION OF INFORMATION TO THE AUDITOR

Each of the persons who is a Director of the General Partner for the Partnership at the date of approval for this report have confirmed that

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

Approved by West Quay Shopping Centre Limited, General Partner, and signed on its behalf



R G Shaw

Director

Date 26 September 2016

THE WEST QUAY LIMITED PARTNERSHIP

STRATEGIC REPORT

Year ended 31 December 2015

BUSINESS REVIEW AND FUTURE PROSPECTS

The Partnership's principal business is to hold for investment The WestQuay Shopping Centre in Southampton. The Directors of the General Partner do not expect any significant changes to the business in the foreseeable future.

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2015 in light of the net current liability position on the balance sheet as at 31 December 2015 and concluded that it was appropriate. More information is provided in note 1(b) to the financial statements.

The Directors of the General Partner consider the following measures to be key performance indicators for the Partnership: net rental income, property valuation performance and total return.

The Partnership's properties produced net rental income of £25,173,000 in 2015 compared with £25,444,000 in 2014. As shown in note 6(a) to the accounts, the total of capital expenditure incurred and amortisation of lease incentives was a net cost of £3,186,000 (2014: £1,824,000), and there was a revaluation surplus of £19,514,000 during the year (2014: £24,476,000). The IPD total return for the property was 8.6% in 2015 (2014: 9.8%).

The key risks facing the Partnership relate to tenant exposure and the strength of the UK property market. Tenants' covenants are monitored at the start of leasing agreements and on an ongoing basis to minimise the risk of default. The General Partner monitors 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.

Approved by West Quay Shopping Centre Limited, General Partner, and signed on its behalf



R G Shaw

Director

Date: 26 September 2016

THE WEST QUAY LIMITED PARTNERSHIP

PARTNERSHIP RESPONSIBILITIES STATEMENT IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS

The West Quay 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 annual accounts and reports as required for a company by the Companies Act 2006. The Partnership is a qualifying partnership as all its members are limited companies. Under that law, the General Partner has elected to prepare the financial statements in accordance with Financial Reporting Standard 102 ("FRS 102")

West Quay Shopping Centre Limited, acting as the General Partner, is responsible under the Limited Partnership Agreement for preparing the annual report and financial statements in accordance with applicable law and regulations.

The General Partner is required to prepare financial statements for each financial year, which 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 these financial statements, the General Partner is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The General Partner is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with SI 2008/569 (Regulation 4). It is also 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 WEST QUAY LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WEST QUAY LIMITED PARTNERSHIP

We have audited the financial statements of The West Quay Limited Partnership for the year ended 31 December 2015 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 21. 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) including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the qualifying Partnership's members, as a body, in accordance with Chapter 3 of Part 17 of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership and the qualifying partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the General Partner and auditor

As explained more fully in the Partnership Responsibilities Statement, the General Partner is 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the General Partner, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the qualifying Partnership's affairs as at 31 December 2015 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 as applied to qualifying partnerships

THE WEST QUAY LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF THE WEST QUAY LIMITED PARTNERSHIP (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships 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 the General Partner's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Sara Tubridy FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date 27 September 2016

THE WEST QUAY LIMITED PARTNERSHIP**STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Gross rental income		31,227	31,809
Rents payable and other property outgoings		<u>(6,054)</u>	<u>(6,365)</u>
Net rental income	1(c)	25,173	25,444
Administration expenses	3	<u>(1,361)</u>	<u>(1,283)</u>
Operating profit before property revaluation gains and profit on sale of property		23,812	24,161
Revaluation gains on properties	6(a)	19,514	24,476
Profit on sale of property	4	<u>-</u>	<u>31</u>
Operating profit		43,326	48,668
Net finance costs	5	<u>(22,681)</u>	<u>(23,032)</u>
Profit and comprehensive income for the financial year before partners' interests		<u>20,645</u>	<u>25,636</u>

All amounts derive from continuing activities

THE WEST QUAY LIMITED PARTNERSHIP

BALANCE SHEET As at 31 December 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Tangible fixed assets					
Investment properties	6(a)		555,435		532,735
Interest in leasehold properties	7		4,238		4,242
			<u>559,673</u>		<u>536,977</u>
Current assets					
Receivables	8	2,959		1,699	
Restricted monetary assets	9	3,420		2,896	
Cash and deposits	10	<u>12,040</u>		<u>4,959</u>	
			18,419		9,554
Current liabilities					
Payables	11	<u>(34,671)</u>		<u>(22,909)</u>	
Net current liabilities			<u>(16,252)</u>		<u>(13,355)</u>
Total assets less current liabilities			543,421		523,622
Non-current liabilities					
Payables	12		(597,582)		(597,294)
Obligations under finance leases	13		<u>(4,242)</u>		<u>(4,242)</u>
Net liabilities			<u>(58,403)</u>		<u>(77,914)</u>
Represented by:					
Partners' equity					
Partners' capital accounts	14		-		-
Partners' current accounts	14		<u>(58,403)</u>		<u>(77,914)</u>
			<u>(58,403)</u>		<u>(77,914)</u>

The General Partner in accordance with the Limited Partnership Agreement approved the financial statements on 26 September 2016 and authorised them for issue on 26 September 2016

Signed on behalf of the General Partner



R G Shaw
Director

Partnership registration LP012185

THE WEST QUAY LIMITED PARTNERSHIP

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2015

	Partners' capital accounts £'000	Partners' current accounts £'000	Revaluation reserve £'000	Total equity £'000
Balance at 1 January 2014				
- As previously stated	-	-	(102,401)	(102,401)
- Effect of restatement due to change in accounting framework (see note 21)	-	(102,401)	102,401	-
- As restated	-	(102,401)	-	(102,401)
Profit and other comprehensive income for the year	-	25,636	-	25,636
Distributions to partners	-	(1,149)	-	(1,149)
Balance at 31 December 2014	-	(77,914)	-	(77,914)
Profit and other comprehensive income for the year	-	20,645	-	20,645
Distributions to partners	-	(1,134)	-	(1,134)
Balance at 31 December 2015	-	(58,403)	-	(58,403)

THE WEST QUAY LIMITED PARTNERSHIP

CASH FLOW STATEMENT

For the year ended 31 December 2015

	2015 £'000	2014 £'000
<i>Operating activities</i>		
Operating profit before property revaluation gains and profit on sale of property	23,812	24,161
(Decrease)/Increase in receivables	(1,260)	1,155
Decrease in restricted monetary assets	(524)	(979)
(Increase)/Decrease in payables	(22)	712
Non-cash items	(422)	201
Cash generated from operations	21,584	25,250
Interest received	12	10
Interest paid	(11,755)	(27,755)
Cash flows from operating activities	9,841	(2,495)
<i>Investing activities</i>		
Purchase of tangible fixed assets	(2,760)	(2,355)
Sale of property	-	87
Cash flows from investing activities	(2,760)	(2,268)
Increase/(Decrease) in cash and deposits in the year	7,081	(4,763)
Opening cash and deposits	4,959	9,722
Closing cash and deposits	12,040	4,959

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

1 ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently throughout the current and preceding year, except as set out below

(a) Basis of accounting

Basis of preparation

The West Quay 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 3. 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 Kings Place, 90 York Way, London N1 9GE.

These financial statements were prepared in accordance with Financial Reporting Standard 102 ("FRS 102") as issued by the Financial Reporting Council. The prior year financial statements were prepared in accordance with previous UK GAAP and have been restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 21.

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.

(b) Going concern

The Partnership has net liabilities and net current liabilities as at 31 December 2015 and is reliant on the continued support of its partners to be able to meet its liabilities as they fall due. The General Partner has received letters of support from Hammerson plc and Euro Hampton Private Limited acting as the Limited Partners which state their intent to provide the necessary financial support to ensure that the Partnership is a going concern for at least twelve months from the date of signing of these financial statements.

The General Partner has reviewed the current and projected financial position of the Partnership, making reasonable assumptions about the future trading performance. After making enquiries, the General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the General Partner continues to adopt the going concern basis in preparing the annual report and financial statements.

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

(c) Net rental income

Rental income from investment property derived in the United Kingdom 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.

Included in net rental income is £886,000 (2014: £1,536,000) of contingent rents calculated by reference to tenants' turnover.

(d) Investment properties

The Partnership 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.

(e) Leasehold properties

Leasehold properties that are leased out to tenants under operating leases, are classified as investment properties or development properties, as appropriate, and included in the balance sheet at fair value. The obligation to the freeholder or superior leaseholder for the land element of the leasehold is included in the balance sheet at the present value of the minimum lease payments at inception. Payments to the freeholder or superior leaseholder are apportioned between a finance charge and a reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents payable, such as rent reviews or those related to rental income, are charged as an expense in the period in which they are incurred. An asset equivalent to the leasehold obligation is recorded in the balance sheet within 'interests in leasehold properties', and is amortised over the lease term.

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

(f) Critical accounting policies and estimation uncertainties

In the application of the Partnership's accounting policies, the Directors of the General Partner 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 Partnership's critical judgement and area of estimation uncertainty is in respect of property valuations. The Partnership's investment property, which is carried in the balance sheet at fair value, is valued six-monthly by professionally qualified external valuers and the Directors of the General Partner must ensure that they are satisfied that the valuation of the Partnership's property is appropriate for the accounts. Investment properties, excluding properties held for development, are valued by adopting the 'investment method' of valuation. This approach involves applying market-derived capitalisation yields to current and market-derived future income streams with appropriate adjustments for income voids arising from vacancies 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 in the valuation. Other factors that are taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

In the case of on-site developments, the approach applied is the 'residual method' of valuation, which is the investment method of valuation as described above with a deduction for all costs necessary to complete the development, together with a further allowance for remaining risk, developers' profit and purchasers' costs. Properties held for future development are generally valued by adopting the higher of the residual method of valuation allowing for all associated risks, or the investment method of valuation for the existing assets.

(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.

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS

Year ended 31 December 2015

1 ACCOUNTING POLICIES (continued)

(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.

2. LIMITED PARTNERSHIP AGREEMENT ('The Agreement')

- (a) The Agreement dated 16 July 2007 states that the purpose of the Partnership is to carry out property investment and development.
- (b) At 31 December 2015 West Quay Shopping Centre Limited, East India Trust and Euro Hampton Private Limited had interests of 49.995%, 0.01% and 49.995% respectively in the profits and assets of the Partnership. West Quay Shopping Centre Limited acts as the General Partner to the Partnership.

3. ADMINISTRATION EXPENSES

The Directors of the General Partner did not receive any remuneration for services to the Partnership during the current or preceding financial year. The services of the Directors of the General Partner are of a non-executive nature.

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

	2015 £'000	2014 £'000
Management fees payable to Hammerson UK Properties plc	1,332	1,252
Fees payable to the Partnership's auditor for the audit of the Partnership's annual accounts	8	9
Valuation fees	58	59
Registrar's fees	-	15
Other expenses	9	-
Insurance administration credit	(46)	(52)
	<u>1,361</u>	<u>1,283</u>

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

4. PROFIT ON SALE OF PROPERTIES

	2015 £'000	2014 £'000
Gross proceeds on sale	-	90
Carry value of properties sold	-	(56)
Surplus over carrying value	-	34
Selling expenses	-	(3)
Profit on sale of properties	-	31

5. NET FINANCE COSTS

	2015 £'000	2014 £'000
Loan interest payable	22,689	22,972
Other interest payable	-	70
Interest on obligations under finance leases	4	-
Interest received	(12)	(10)
	22,681	23,032

6. INVESTMENT PROPERTIES

- (a) The movements in the year on the valuation of properties were

	2015 £'000	2014 £'000
Long leasehold		
At 1 January	532,735	506,491
Additions at cost	2,760	2,025
Amortisation of lease incentives	426	(201)
Disposals	-	(56)
Surplus on revaluation	19,514	24,476
At 31 December	555,435	532,735

- (b) The properties are stated at fair value at 31 December 2015, valued by professionally qualified external independent valuers, DTZ Debenham Tie Leung, Chartered Surveyors. The valuations have been prepared in accordance with the RICS Valuation – Professional Standards 2014 based on certain assumptions as set out in note 1(f).
- (c) The historical cost of investment properties at 31 December 2015 was £613,835,000 (2014 £610,649,000).

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

7. INTEREST IN LONG TERM LEASEHOLD PROPERTIES

	2015 £'000	2014 £'000
At 1 January	4,242	4,242
Amortisation	(4)	-
At 31 December	<u>4,238</u>	<u>4,242</u>

8. RECEIVABLES: CURRENT ASSETS

	2015 £'000	2014 £'000
Trade receivables	800	1,116
Amounts owed by Hammerson Operations Limited	271	225
Amounts owed by West Quay Shopping Centre Limited	88	88
Other receivables	967	188
Prepayments	833	82
	<u>2,959</u>	<u>1,699</u>

All amounts shown fall due for payment within one year. Amounts owed by Hammerson Operations Limited and West Quay Shopping Centre Limited are non-interest bearing.

9. RESTRICTED MONETARY ASSETS

	2015 £'000	2014 £'000
Cash held on behalf of third parties	<u>3,420</u>	<u>2,896</u>

The Partnership's managing agent holds cash on behalf of its tenants to meet future service charge costs and related expenditure. The cash has restricted use and as such, does not meet the definition of cash and cash equivalents.

10. CASH AND DEPOSITS

	2015 £'000	2014 £'000
Cash at bank	<u>12,040</u>	<u>4,959</u>

As at 31 December 2015 the Partnership's managing agent held cash of £1,251,000 (2014 £2,526,000) on behalf of the Partnership, which is not restricted and is available to the Partnership and as such has been included in cash and deposits.

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

11. PAYABLES. CURRENT LIABILITIES

	2015 £'000	2014 £'000
Trade payables	2,413	1,877
Amounts owed to Hammerson Group Management Limited	1	97
Other payables and accruals	27,473	15,351
Deferred income	4,784	5,584
	<u>34,671</u>	<u>22,909</u>

Included in other payables and accruals are distributions of £6,987,000 (2014 £5,763,000) payable to the Limited Partners. The amounts owed to Hammerson Group Management Limited and the Limited Partners are repayable on demand and are non-interest bearing.

12. PAYABLES: NON-CURRENT LIABILITIES

	2015 £'000	2014 £'000
Amounts due to Hammerson plc	298,477	298,477
Amounts due to Euroleum SARL	298,477	298,477
Loan balances	596,954	596,954
Other payables		
- From two to five years	628	340
	<u>597,582</u>	<u>597,294</u>

The above loans are repayable on the earlier of (a) the date of dissolution of the Partnership or (b) the date of the retirement of the associate of each lender in connection with the retirement of the associate from the Partnership. Interest is charged at a fixed rate of 6.75%, less a discount reducing from 12.5% in July 2007 to nil in 2014, but interest charged is restricted depending on the operating profit of the Partnership.

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

13. OBLIGATIONS UNDER FINANCE LEASES

Finance lease obligations in respect of rents payable on the leasehold properties are payable as follows

	2015			2014		
	Minimum lease payments £'000	Interest £'000	Present value of minimum lease payments £'000	Minimum lease payments £'000	Interest £'000	Present value of minimum lease payments £'000
After 25 years	334,512	(330,270)	4,242	334,862	(330,620)	4,242
5-25 years	7,000	(7,000)	-	7,000	(7,000)	-
2-5 years	1,050	(1,050)	-	1,050	(1,050)	-
1-2 years	350	(350)	-	350	(350)	-
Within 1 year	350	(350)	-	350	(350)	-
	343,262	(339,020)	4,242	343,612	(339,370)	4,242

14. PARTNERS' EQUITY

	2015 £'000	2014 £'000
Partners' capital accounts	-	-
Partners' current accounts	<u>(58,403)</u>	<u>(77,914)</u>
	(58,403)	(77,914)

The Partners' capital contribution of £200 (2014 £200) 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.

15. THE PARTNERSHIP AS LESSOR – OPERATING LEASE RECEIPTS

At the balance sheet date, the Partnership had contracted with tenants for the future minimum lease receipts as shown in the table below. The data is for the period to the first tenant break option.

	2015 £'000	2014 £'000
Within one year	7,197	9,259
From one to two years	7,103	5,993
From two to five years	16,567	13,816
Over five years	<u>23,705</u>	<u>18,684</u>
	54,572	47,752

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

16. FINANCIAL INSTRUMENTS

The carrying values of the Partnership's financial assets and liabilities are summarised by category below

	2015 £'000	2014 £'000
Financial assets		
<i>Measured at undiscounted amount receivable</i>		
Trade receivables	800	1,116
Amounts owed by Hammerson Operations Limited	271	225
Amounts owed by West Quay Shopping Centre Limited	88	88
Restricted monetary assets	3,420	2,896
Cash at bank	12,040	4,959
	<u>16,619</u>	<u>9,284</u>
Financial liabilities		
<i>Measured at amortised cost</i>		
Payables	(627,469)	(614,619)
Obligations under finance leases	(4,242)	(4,242)
	<u>(631,711)</u>	<u>(618,861)</u>

The Partnership's income, expense, gains and losses in respect of financial instruments are summarised below

	2015 £'000	2014 £'000
Net finance costs	(22,681)	(23,032)
Movement on trade receivable provisions	437	(171)

17. CONTINGENT LIABILITIES

At 31 December 2015 there are contingent liabilities of £7,120,000 (2014 £7,120,000) relating to claims against the Partnership arising in the normal course of business, which are considered unlikely to crystallise

18. ADVANCES, CREDIT AND GUARANTEES

The General Partner did not grant any credits, advances or guarantees of any kind to its Directors during the year

THE WEST QUAY LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS Year ended 31 December 2015

19 RELATED PARTIES

Other than disclosed in the statement of changes in equity and in notes 3, 5, 8, 11 and 12, there were no material related party transactions during the year

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

Related party company	Relationship
Hammerson Operations Limited	Indirect subsidiary
Hammerson Group Management Limited	Indirect subsidiary
Euroleum SARL	Lender

20. ULTIMATE CONTROLLING PARTIES

The Partners listed in note 2 are the immediate controlling parties of the Partnership. The ultimate controlling parties are Hammerson plc and GIC Private Limited, which are registered in England and Wales and Singapore respectively.

The consolidated financial statements of Hammerson plc are available from

The Company Secretarial Department,
Kings Place, 90 York Way,
London N1 9GE

21 EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the Partnership has presented its financial statements under Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014.

Reconciliation of equity

In preparing the financial statements for the year ended 31 December 2014, the Company reflected investment property at market value in accordance with applicable UK accounting standards. Changes in market value (unless presenting a permanent diminution in value) were reflected in the statement of recognised gains and losses and accumulated in the revaluation reserve.

In accordance with FRS 102 investment property is included in the balance sheet at fair value with changes in fair value being reflected in the statement of comprehensive income.

There has been no movement in total equity due to the change in accounting framework from UK GAAP to FRS 102. Movements within equity are detailed within the statement of changes in equity on page 9. There has been no further effect on the balance sheet as a result of the change in accounting framework.

The effect on the Partnership's profit for the year is shown below.

Reconciliation of change in profit for the year ended 31 December 2014

	2014 £'000
Profit as previously reported in accordance with UK GAAP	1,160
Revaluation gains on properties	24,476
Profit as reported in accordance with FRS 102	25,636