Registered number: 00643320

WEST QUAY SHOPPING CENTRE LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

WEST QUAY SHOPPING CENTRE LIMITED

COMPANY INFORMATION

Directors	Harry Alexander Badham Richard Geoffrey Shaw Simon Charles Travis
Company secretary	Hammerson Company Secretarial Limited
Registered number	00643320
Registered office	Marble Arch House 66 Seymour Street London W1H 5BX

WEST QUAY SHOPPING CENTRE LIMITED

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WEST QUAY SHOPPING CENTRE LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activity

The principal activity of the Company is to act as General Partner to The West Quay Limited Partnership (the "Partnership") which owns and operates the West Quay and West Quay South Shopping Centres in Southampton.

Directors

The Directors who served during the year were:

Harry Alexander Badham
Richard Geoffrey Shaw
Simon Charles Travis

Going concern

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2022 and concluded that it was appropriate. More information is provided in note 2.5 to the financial statements.

Qualifying third party indemnity provisions

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.

Small companies note

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

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

Harry Alexander Badham
Director

Date: 5 December 2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Other net gains		-	1,718
Operating profit		-	1,718
Net finance income	6	**6,530**	2,764
Profit before tax		**6,530**	4,482
Tax on profit		-	-
Profit for the financial year		**6,530**	4,482

There was no other comprehensive income for 2022 (2021:NIL).

The notes on pages 5 to 9 form part of these financial statements.

WEST QUAY SHOPPING CENTRE LIMITED
REGISTERED NUMBER: 00643320

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 £000		2021 £000
Current assets					
Receivables - due within one year	9	**251,005**		244,475	
Total assets less current liabilities			**251,005**		244,475
Net assets			**251,005**		244,475
Capital and reserves					
Called up share capital	10		**23,000**		23,000
Retained earnings	11		**228,005**		221,475
			251,005		244,475

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Harry Alexander Badham
Director

Date: 5 December 2023

The notes on pages 5 to 9 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2021	**23,000**	**216,993**	**239,993**
Comprehensive income for the year			
Profit for the year	-	4,482	4,482
At 1 January 2022	**23,000**	**221,475**	**244,475**
Comprehensive income for the year			
Profit for the year	-	6,530	6,530
At 31 December 2022	**23,000**	**228,005**	**251,005**

The notes on pages 5 to 9 form part of these financial statements.

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

1. General information

West Quay Shopping Centre Limited is a private company limited by shares, domiciled and incorporated in England and Wales under the Companies Act. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The address of the registered office is Marble Arch House, 66 Seymour Street, London, England, W1H 5BX.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest thousand.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Hammerson plc as at 31 December 2022 and these financial statements may be obtained from the registered office..

2.3 Impact of new international reporting standards, amendments and interpretations

There are no amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2022 that have had a material impact on the Company.

2. Accounting policies (continued)

2.4 Exemption from preparing consolidated financial statements

The Company is a parent company whose financial statements are included in the consolidated financial statements of Hammerson plc, a company established under UK Law. The Company has taken the exemption available under S400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements therefore present information about the Company as an individual undertaking and not about its Group. The registered office of Hammerson plc is the same as the Company.

2.5 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 financial statements.

2.6 Net finance income

Net finance income comprises interest receivable from group undertakings and is included in the Statement of Comprehensive Income.

2.7 Investments

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

2.8 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, including intercompany loans, are subsequently carried at amortised cost using the effective interest method, less loss allowance. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment provisions for financial assets are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of financial assets is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for financial assets. For financial assets, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within the Statement of Comprehensive Income. On confirmation that the financial asset will not be collectable, the gross carrying value of the asset is written off against the associated provision.

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.

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

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are *reviewed on an ongoing basis*.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The Company's critical judgements and areas of estimation uncertainty are in respect of impairment provisions.

Impairment provisions

Judgement is required in assessing revenue recognition and the potential impairment of financial assets. The Directors have assessed the recoverability of amounts due from related undertakings, taking into account the value of their underlying net assets. A loss allowance provision against amounts due from fellow group undertakings was made as at 31 December 2022 of £Nil (2021: £Nil).

4. Employees

The Company had no employees other than the Directors during the current or prior year.

The Directors did not receive any remuneration for their services from the Company in the year (2021: £Nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of this disclosure. In addition there were no payments to key management personnel in either the current or preceding financial year.

5. Other net gains

	2022	2021
	£000	£000
Decrease of impairment of amounts due from The West Quay Limited Partnership	-	(1,718)

6. Net finance income

	2022	2021
	£000	£000
Interest receivable from ultimate parent company	**6,530**	2,764

7. 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 (including profits and gains arising from such activities conducted via a partnership).

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 current or preceding year, and this is expected to continue for the foreseeable future. The profits covered by group relief for the year ended 31 December 2022 are £6,530,000 (2021: £2,764,000).

8. Investments

	2022	2021
	£	£
Cost and net book value		
At 1 January and 31 December	**106**	106

Investments include an investment of £100, which represents a 49.995% interest in The West Quay Limited Partnership (the "Partnership") which is registered in England and Wales and holds for investment the West Quay and West Quay South Shopping Centres. The registered office of the Partnership is the same as the Company.

Investments also include the Company's direct shareholding of £2 that represents a 100% interest 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 West Quay, Southampton, and has the same registered office as the Company. The Company also has a £2 interest in two wholly owned subsidiaries, West Quay (No.1) Limited and West Quay (No. 2) Limited, both incorporated in England and Wales and both have the same registered office address as that of the Company.

9. Receivables - due within one year

	2022	2021
	£000	£000
Amounts owed by group undertakings	**251,005**	244,475
	251,005	244,475

All amounts shown under receivables fall due for payment within one year and are repayable on demand. All amounts owed are unsecured. Interest is charged on amounts owed by the ultimate parent company at variable rates which have historically been based on LIBOR. With effect from 1 January 2022, LIBOR was replaced with SONIA (Sterling Overnight Index Average). Amounts owed by fellow group undertakings are non-interest bearing.

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

10. Called up share capital

	2022 £000	2021 £000
Authorised, allotted, called up and fully paid		
115,000,001 (2021 - 115,000,001) Class A ordinary shares of £0.10 each	**11,500**	11,500
115,000,001 (2021 - 115,000,001) Class B ordinary shares of £0.10 each	**11,500**	11,500
	23,000	23,000

11. Reserves

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

Retained earnings

This reserve represents cumulative profits and losses less any dividends paid.

12. Ultimate controlling party

At the end of the current and preceding year, the Company's ultimate parent company and controlling party was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At the end of the current and preceding year, the Company's immediate parent company was Hammerson UK Properties Limited (formerly Hammerson UK Properties plc), which is registered in England and Wales.

The consolidated financial statements of the ultimate parent company, Hammerson plc, are available from that company's registered office.

Partnership registration: LP012185

THE WEST QUAY LIMITED PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2022

THE WEST QUAY LIMITED PARTNERSHIP

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THE WEST QUAY LIMITED PARTNERSHIP

STRATEGIC REPORT
Year ended 31 December 2022

Review of business

Performance during the year

The Partnership's principal business is to hold for investment the West Quay and West Quay South Shopping Centres, in Southampton. The Partnership made a profit from operating activities of £23.1m (2021: £16.2m) and a total loss for the financial year of £19.7m before partners' interests (2021: £17.7m).

Revenue increased from £27.0m in 2021 to £35.1m in 2022, with increases across all revenue streams. Footfall levels recovered steadily throughout the year, occupancy levels remain high and rent collections, both in terms of overall proportion collected and pace after the due date continued to improve as trading normalised post the pandemic.

A revaluation loss of £28.8m (2021: £19.7m) was incurred on the Partnership's properties. This arose primarily due to a market yield shift in the second half of the year, as a result of higher interest rates, which mostly occurred in the last quarter of 2022.

Future prospects

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

Key Performance Indicators

	2022	2021
	£'000	£'000
Net rental income	**23,952**	17,033
Property valuation	**285,320**	312,510
Capital expenditure	**1,658**	422
Revaluation losses	**(28,844)**	(19,736)
Total return	**-2%**	-0.4%

Principal risks

Overview

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

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

Near-term

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

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

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

Richard Shaw

R.G. Shaw
Director
27 June 2023

REPORT OF THE GENERAL PARTNER
Year ended 31 December 2022

West Quay Shopping Centre Limited ('the General Partner') presents its report and audited financial statements for the Partnership for the year ended 31 December 2022.

1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

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

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

2. RESULTS AND DISTRIBUTIONS

The Partnership made a loss for the financial year before partners' interests of £19.7m (2021: £17.7m). No distributions were made during the current or preceding year.

As at 31 December 2022, the Partnership had net current assets £6.1m (2021: £20.8m) and net liabilities of £411.9m (2021: £392.2m).

3. DIRECTORS OF THE GENERAL PARTNER

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

H A Badham
R G Shaw
S C Travis

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

4. INDEMNITY

The General Partner's ultimate parent company, Hammerson plc, has put in place qualifying third party indemnity provisions for the benefit of the 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. GOING CONCERN

The Directors of the General Partner have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2022 and having taken into account the letters of no call received from Hammerson plc and Euro Dinero II Private Limited, concluded that it was appropriate.

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

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

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, as applied to qualifying partnerships, the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing the financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

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

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

7. DISCLOSURE OF INFORMATION TO AUDITOR

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

(a) so far as the Director of the General Partner is aware, there is no relevant audit information of which the Partnership's auditor is unaware; and

(b) the Director of the General Partner has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

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

Richard Shaw

R.G. Shaw
Director
27 June 2023

pwc

Independent auditors' report to the Partners of The West Quay Limited Partnership

Report on the audit of the financial statements

Opinion

In our opinion, The West Quay Limited Partnership's financial statements:

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

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

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic Report and Report of the General Partner

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

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

Responsibilities for the financial statements and the audit

Responsibilities of the General Partner for the financial statements

As explained more fully in the Statement of General Partner's Responsibilities in respect of the Financial Statements, the General Partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The General Partner is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Partner is responsible for assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the General Partner either intends to liquidate the Partnership or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

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

THE WEST QUAY LIMITED PARTNERSHIP

INCOME STATEMENT
For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Revenue	3	**35,104**	27,039
Rents payable and other property outgoings	3	**(11,714)**	(11,109)
Change in the provision for amounts not yet recognised in the income statement	3	**562**	1,103
Net rental income	3	**23,952**	17,033
Administrative expenses	4	**(809)**	(850)
Profit from operating activities		**23,143**	16,183
Revaluation losses on properties	6(a)	**(28,844)**	(19,736)
Operating loss		**(5,701)**	(3,553)
Net finance costs	5	**(13,958)**	(14,108)
Loss for the year before partners' interests		**(19,659)**	(17,661)

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

THE WEST QUAY LIMITED PARTNERSHIP

BALANCE SHEET
As at 31 December 2022

		Note	2022		2021 Restated	
			£'000	**£'000**	£'000	£'000
Non-current assets						
Investment properties		6(a)		**285,320**		312,510
Interest in leasehold properties		7		**4,208**		4,212
Total non-current assets				**289,528**		316,722
Current assets						
Trade and other receivables		8	**4,144**		5,913	
Cash and cash equivalents	†	9	**16,542**		30,751	
			20,686		36,664	
Current liabilities						
Trade and other payables		10	**(14,597)**		(15,839)	
Net current assets				**6,089**		20,825
Total assets less current liabilities				**295,617**		337,547
Non-current liabilities						
Trade and other payables		11		**(703,264)**		(725,535)
Obligations under head leases		12		**(4,242)**		(4,242)
Net liabilities				**(411,889)**		(392,230)
Represented by:						
Partners' equity						
Partners' capital accounts		13		**-**		-
Partners' current accounts		13		**(411,889)**		(392,230)
Total Partners' deficit				**(411,889)**		(392,230)

† 2021 figures have been restated with further information provided in notes 1(a) and 9.

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

Richard Shaw

R.G. Shaw
Director
27 June 2023

Partnership registration: LP012185

THE WEST QUAY LIMITED PARTNERSHIP

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

	Partners' capital accounts £'000	Partners' current accounts £'000	Total Partners' deficit £'000
At 1 January 2021	-	(374,569)	(374,569)
Loss for the year	-	(17,661)	(17,661)
At 31 December 2021	-	(392,230)	(392,230)
Loss for the year	-	(19,659)	(19,659)
At 31 December 2022	**-**	**(411,889)**	**(411,889)**

THE WEST QUAY LIMITED PARTNERSHIP

CASH FLOW STATEMENT
For the year ended 31 December 2022

		2022	Restated 2021
		£'000	£'000
Operating activities			
Profit from operating activities		**23,143**	16,183
Decrease in receivables		**3,198**	7,133
Decrease in payables		**(1,272)**	(5,076)
Non-cash items		**(1,419)**	(3,948)
Cash generated from operations	†	**23,650**	14,292
Interest received		**149**	-
Interest paid		**(36,350)**	(1)
Cash flows from/(used in) operating activities	†	**(12,551)**	14,291
Investing activities			
Capital expenditure		**(1,658)**	(435)
Cash flows used in financing activities		**(1,658)**	(435)
(Decrease)/Increase in cash and equivalents	†	**(14,209)**	13,856
Opening cash and equivalents	†	**30,751**	16,895
Closing cash and equivalents	†	**16,542**	30,751

† 2021 figures have been restated with further information provided in notes 1(a) and 9.

1. ACCOUNTING POLICIES

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 4. The address of the registered office of the General Partner is the same as that of Hammerson plc, one of the ultimate controlling parties, which is Marble Arch House, 66 Seymour Street, London W1H 5BX.

(a) Basis of accounting

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

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

The Partnership is a joint venture between Hammerson plc and Euro Hampton Private Limited (*see note 18*).

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

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

In April 2022, the IFRIC issued an agenda decision in respect of the presentation of 'Demand deposits with restrictions on use arising from a contract with a third party' (the 'IFRIC Decision on Deposits'). The conclusions were that restrictions on use which arise from a contract with a third party do not alone change the nature of amounts being classified as cash and cash equivalents with the same definition of cash and cash equivalents being echoed in FRS 102. In light of this, to align the accounting policy to the interpretation of IFRS, a review has been undertaken of amounts disclosed as 'restricted monetary assets'. It has been determined that the use of certain tenant deposit and service charge amounts are restricted only by a contract with a third party. As a result, in applying the agenda decision, such amounts for 2021 have been restated to reflect this change to be consistent with the treatment at the ultimate parent company level with analysis set out in note 9.

Where figures have been restated, these are marked †.

1. ACCOUNTING POLICIES (CONTINUED)

(b) Going concern

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

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

Scenario assumptions

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

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

Letters of no call

In addition, the Directors note that as at 31 December 2022, the Partnership had net liabilities of £411,889,000, which includes loan balances due to related parties of £694,064,000 together with interest payable on these loan balances of £8,778,000, amounting to a total of £702,842,000. Further details of these liabilities, including the repayments terms, are set out in note 11 to the financial statements.

The Directors have received letters of no call from Hammerson plc, one of the ultimate controlling parties and Euro Dinero II Private Limited ('EDPL'), which is wholly owned by GIC Private Limited, the other ultimate controlling party. These letters state that for a period of at least 12 months from the date of signing of these financial statements, Hammerson plc and EDPL have no intention to demand repayment of either the interest payable or the loan balances referred to above, if this would result in the Partnership being unable to meet its external liabilities as they fall due.

Conclusion

Based on the above assessment and taking into account the letters of no call referred to above, under both the Base and Severe but plausible scenarios, the Partnership has sufficient liquidity on a stand-alone basis for a period of at least 12 months from the date of signing these financial statements. Accordingly, the Directors are satisfied that they can prepare the financial statements on the going concern basis.

1. ACCOUNTING POLICIES (CONTINUED)

(c) Revenue and net rental income

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

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

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

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

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

(d) Net finance costs

Net finance costs include interest payable on borrowings, interest payable to related party undertakings, interest on obligation under head leases, net of interest receivable on funds invested.

(e) Distributions

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

(f) Investment properties

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

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

1. ACCOUNTING POLICIES (CONTINUED)

(g) 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 as a head lease 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.

(h) Trade and other receivables

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

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

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

(i) Trade and other payables

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

(j) 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.

1. ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments

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

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

Financial assets are derecognised when and only when either:

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

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

(l) Cash and cash equivalents

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

(m) Critical accounting policies and estimation uncertainties

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

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

Significant estimates

Property valuations

Backdrop

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

1. ACCOUNTING POLICIES (CONTINUED)

(m) Critical accounting policies and estimation uncertainties (continued)

Significant estimates (continued)

Property valuations (continued)
Backdrop (continued)

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

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

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

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

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

1. ACCOUNTING POLICIES (CONTINUED)

(m) Critical accounting policies and estimation uncertainties (continued)

Significant estimates (continued)

Impairment of trade receivables (continued)

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

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

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

2 LIMITED PARTNERSHIP AGREEMENT ('THE AGREEMENT')

(a) The Agreement as updated on 29 December 2016 states that the purpose of the Partnership is to carry out property investment and development.

(b) West Quay Shopping Centre Limited acts as the General Partner to the Partnership. The percentage interests of the Limited Partners in the assets and liabilities of the Partnership as at 31 December 2022 are shown below:

	2022	2021
	%	%
West Quay Shopping Centre Limited	**49.995**	49.995
Euro Hampton Private Limited	**49.995**	49.995
East India Trust	**0.010**	0.010
	100.000	100.000

3. REVENUE AND NET RENTAL INCOME

		2022 £'000	2021 £'000
Base rent		**19,938**	15,834
Turnover rent		**1,340**	786
Car park income		**5,646**	3,660
Lease incentive recognition		**41**	(521)
Other rental income		**2,053**	1,709
Gross rental income		**29,018**	21,468
Service charge income		**6,086**	5,571
Revenue		**35,104**	27,039
Ground and equity rents payable		**(406)**	(301)
Service charge expenses		**(7,138)**	(6,950)
Inclusive lease costs recovered		**(889)**	(950)
Other property outgoings	*	**(3,281)**	(2,908)
Rents payable and other property outgoings		**(11,714)**	(11,109)
Change in the provision for amounts not yet recognised in the income statement		**562**	1,103
Net rental income		**23,952**	17,033

* Includes decrease in provision against trade receivables, for amounts recognised in the income statement, of £867,000 (2021: £3,066,000 increase) and decrease in provision against unamortised tenant incentives of £66,000 (2021: £66,000).

4. ADMINISTRATIVE EXPENSES

	2022 £'000	2021 £'000
Management fees to Hammerson UK Properties Limited	**781**	831
Fees payable to the Partnership's auditor for the audit of the financial statements	**29**	27
Valuation fees	**43**	43
Other expenses	**19**	15
Insurance administration credit	**(63)**	(66)
	809	850

The Partnership had no employees (2021: none).

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

5. NET FINANCE COSTS

	2022 £'000	2021 £'000
Interest on other borrowings	**13,757**	13,757
Interest on obligations under head leases	**350**	350
Other interest costs	**-**	1
Total interest payable	**14,107**	14,108
Bank and other interest receivable	**(149)**	-
	13,958	14,108

6. INVESTMENT PROPERTIES

(a) Analysis of movements in the year:

Long leasehold	2022 £'000	2021 £'000
At 1 January	**312,510**	332,390
Additions at cost	**1,658**	422
Amortisation of lease incentives	**(4)**	(566)
Revaluation loss	**(28,844)**	(19,736)
At 31 December	**285,320**	312,510

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

(b) Sensitivity analysis on valuation

	Valuation	**Nominal equivalent yield**		**Estimated rental value (ERV)**	
		-100bp	**+100bp**	**+10%**	**-10%**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Long leasehold	**285,320**	**42,270**	**(32,608)**	**28,532**	**(28,532)**

(c) Unamortised tenant incentives included in capital expenditure:

	2022 £'000	2021 £'000
Unamortised tenant incentives	**2,601**	1,802
Loss allowance provision	**(301)**	(367)
	2,300	1,435

(d) The historical cost of investment properties including lease incentives at 31 December 2022 was £729,795,000 (2021: £728,141,000).

7. INTEREST IN LEASEHOLD PROPERTIES

	2022 £'000	2021 £'000
At 1 January	**4,212**	4,216
Amortisation	**(4)**	(4)
At 31 December	**4,208**	4,212

8. TRADE AND OTHER RECEIVABLES

(a) Analysis of trade and other receivables

	2022 £'000	2021 £'000
Trade receivables	**3,192**	3,592
Amounts due to related undertakings:		
- Hammerson Operations Limited	**86**	401
- Hammerson (Watermark) Limited	**131**	130
Other receivables	**694**	1,484
Prepayments	**41**	306
	4,144	5,913

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

Other receivables are shown after deducting a loss allowance provision of £168,000 (2021: £294,000).

(b) Trade receivables provisioning

	2022 £'000	2021 £'000
Gross trade receivables	**5,887**	7,716
Loss allowance provision	**(2,695)**	(4,124)
	3,192	3,592

9. CASH AND CASH EQUIVALENTS

		2022 £'000	2021 £'000
Cash at bank	†	**16,542**	30,751

† 2021 figure has been restated with further information provided in note 1(a). The effect is that £2,736,000 held by third party managing agents in respect of tenant deposits and service charges has been reclassified into cash and cash equivalents having previously been separately disclosed as restricted monetary assets. The previously disclosed cash and cash equivalents balance was therefore £28,015,000. The equivalent balance included for 2022 was £2,672,000.

10. TRADE AND OTHER PAYABLES: CURRENT

	2022 **£'000**	2021 £'000
Trade payables	**3,063**	3,758
Amounts due to related undertakings:		
- Hammerson Group Management Limited	**54**	26
- Hammerson UK Properties Limited	**1,112**	-
- Hammerson plc	**1,239**	1,209
- Eurolieum SARL	**1,209**	1,209
Other payables and accruals	**2,828**	3,917
VAT payable	**944**	1,529
Deferred income	**4,148**	4,191
	14,597	15,839

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

11. TRADE AND OTHER PAYABLES: NON–CURRENT

	2022 **£'000**	2021 £'000
Amounts due to Hammerson plc	**191,077**	191,077
Amounts due to Euro Dinero II Private Limited	**191,077**	191,077
Loan balances: interest bearing	**382,154**	*382,154*
Amounts due to Hammerson plc	**155,955**	155,955
Amounts due to Euro Hampton Private Limited	**155,955**	155,955
Loan balances: non-interest bearing	**311,910**	311,910
Total loan balances	**694,064**	694,064
Interest payable on interest bearing loans	**8,778**	31,020
Deposits and other payables		
From two to five years	**238**	235
Over five years	**184**	216
	422	451
	703,264	725,535

Interest-bearing 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 3.6%.

The timing of the repayment of the non-interest bearing loans is at the discretion of the General Partner. The General Partner has received confirmation from the lenders that the loans will not be recalled within 12 months of the date of signing of these financial statements.

11. TRADE AND OTHER PAYABLES: NON–CURRENT (CONTINUED)

As set out in note 1(b) on page 14, letters of no call have been obtained from Hammerson plc and Euro Dinero II Private Limited, stating they do not intend to demand repayment of the loan balance of £694,064,000 together with the interest payable of £8,778,000, amounting to a total of £702,842,000, within a period of 12 months from the date of signing the Partnership's financial statements, if this would result in the Partnership being unable to meet its external liabilities as they fall due. Consequently, the timing of the repayment of the interest is at the discretion of the General Partner and the liability has been included in non-current liabilities as at 31 December 2022.

12. OBLIGATIONS UNDER HEAD LEASES

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

	2022			2021		
	Minimum lease payments £'000	**Effect of discounting £'000**	**Present value of minimum lease payments £'000**	Minimum lease payments £'000	Effect of discounting £'000	Present value of minimum lease payments £'000
Within 1 year	**350**	**(350)**	**-**	350	(350)	-
1 - 2 years	**350**	**(350)**	**-**	350	(350)	-
2 - 5 years	**1,050**	**(1,050)**	**-**	1,050	(1,050)	-
5 - 25 years	**7,000**	**(7,000)**	**-**	7,000	(7,000)	-
After 25 years	**332,062**	**(327,820)**	**4,242**	332,412	(328,170)	4,242
More than 1 year	**340,462**	**(336,220)**	**4,242**	340,812	(336,570)	4,242

13. PARTNERS' EQUITY

	2022 £'000	2021 £'000
Partners' capital accounts	**-**	-
Partners' current accounts	**(411,889)**	(392,230)
	(411,889)	(392,230)

The Partners' capital accounts of £200 (2021: £200) are 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.

14. THE PARTNERSHIP AS LESSOR – OPERATING LEASE RECEIPTS

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

	2022 £'000	2021 £'000
Future minimum rentals receivable under non-cancellable leases		
Within one year	**18,156**	17,552
From one to two years	**16,081**	14,606
From two to five years	**31,064**	30,652
Over five years	**44,369**	47,170
	109,670	109,980

15. FINANCIAL INSTRUMENTS

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

	2022 £'000	2021 £'000
Financial assets		
Trade receivables	**3,192**	3,592
Amounts due from related undertakings	**217**	531
Other receivables	**694**	1,484
Interest in leasehold properties	**4,208**	4,212
Cash at bank	**16,542**	30,751
	24,853	40,570
Financial liabilities		
Trade payables	**3,063**	3,758
Amounts due to related undertakings	**3,614**	2,444
Other payables and accruals	**2,828**	3,917
Trade and other payables: Non-current	**703,264**	725,535
Obligations under head leases	**4,242**	4,242
	717,011	739,896

16. CAPITAL COMMITMENTS

	2022	2021
	£'000	£'000
Capital commitments	**609**	602

17. RELATED PARTIES

Other than disclosed in the statement of changes in equity and in notes 4, 5, 8, 10, and 11 and there were no material related party transactions during the current or preceding year.

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

Related party	Relationship
Hammerson plc	Ultimate controlling party and Lender
Hammerson Operations Limited	Subsidiary of Hammerson plc
Hammerson Group Management Limited	Subsidiary of Hammerson plc
Hammerson (Watermark) Limited	Subsidiary of Hammerson plc
Hammerson UK Properties Limited	Subsidiary of Hammerson plc
Eurolieum SARL	Lender
Euro Dinero II Private Limited	Lender
Euro Hampton Private Limited	Limited Partner and Lender
West Quay Shopping Centre Limited	General Partner and Limited Partner

18. ULTIMATE CONTROLLING PARTIES

West Quay Shopping Centre Limited and Euro Hampton Private Limited are the immediate controlling parties of the Partnership, and their respective interests are shown in note 2. The immediate controlling parties are owned by Hammerson Plc and GIC Private Limited respectively.

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

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

GIC Private Limited
Company Secretary
Capital Tower
168 Robinson Road
Singapore 068912