

Company Number: 04125216

HAMMERSON OPERATIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2018



HAMMERSON OPERATIONS LIMITED

DIRECTORS' REPORT

Year ended 31 December 2018

1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENT

The principal activity of Hammerson Operations Limited (the "Company") is property management in the United Kingdom. The Directors do not anticipate any significant change in the principal activity in the foreseeable future.

2. RESULTS AND DIVIDENDS

The profit for the year after tax was £1,536,000 (2017: £1,600,000). The Directors do not recommend the payment of a dividend for the year (2017: £nil). Further information relating to the business and its key risks is provided in the Strategic Report on page 3.

Net assets for the Company as at 31 December 2018 were £14,715,000 (2017: £13,179,000)

3. DIRECTORS

- (a) Mr. A.J. Berger-North, Mr. M.R. Bourgeois and Mr. P.W.B. Cole were Directors of the Company throughout the year.
- (b) Mr P.W.B Cole resigned as a Director of the Company on 30 April 2019.
- (c) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- (d) No Director has any interests in contracts entered into by the Company.

4. SECRETARY

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

5. INDEMNITY

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

6. INDEPENDENT AUDITORS

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

PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

HAMMERSON OPERATIONS LIMITED

DIRECTORS' REPORT (CONTINUED)

Year ended 31 December 2018

7. STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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 Company will continue in business.

The Directors 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.

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.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

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

By order of the Board



J. Crane
For and on behalf of
Hammerson Company Secretarial Limited
acting as Secretary
Date: 19 June 2019

Registered Office:
Kings Place
90 York Way
London N1 9GE
Registered in England and Wales
No. 07784823

HAMMERSON OPERATIONS LIMITED

STRATEGIC REPORT

Year ended 31 December 2018

BUSINESS REVIEW AND FUTURE PROSPECTS

It is expected that the Company will continue to manage and administer property activities on behalf of Hammerson UK Properties plc and its subsidiaries in the United Kingdom.

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2018 and concluded that it was appropriate. More information is provided in note 1(b) to the financial statements.

The Directors consider the following measures to be the key performance indicators for the Company: fee income and profit on ordinary activities before taxation.

The Company generated profit on ordinary activities of £1,536,000 (2017: £1,600,000) and generated fee income of £5,098,000 (2017: £5,071,000) from service charges and by providing services to properties owned by Hammerson UK Properties plc subsidiaries and certain joint ventures.

The Company incurs costs on behalf of fellow group companies and recharges these companies at cost, and economic conditions therefore have minimal impact on the Company. Further risks are discussed in the Annual Report of the ultimate controlling party, Hammerson plc, which does not form part of this report.

Signed on behalf of the Board of Directors



M.R. Bourgeois

Director

Date: 19 June 2019

HAMMERSON OPERATIONS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAMMERSON OPERATIONS LIMITED

Report on the financial statements

Our opinion

In our opinion, Hammerson Operations Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 2018; the Statement of Comprehensive Income, the Statement of Changes in Equity 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 Company 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

ISAs (UK) require us to report to you when:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors; have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's trade, customers, suppliers and the wider economy.

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 Directors are 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 Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

HAMMERSON OPERATIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAMMERSON OPERATIONS LIMITED (CONTINUED)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 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 Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors are 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 Directors are 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 Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

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 Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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.

HAMMERSON OPERATIONS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAMMERSON OPERATIONS LIMITED (CONTINUED)

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' 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.



Paul Cragg (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
19 June 2019

HAMMERSON OPERATIONS LIMITED**STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Revenue*	2	12,678	12,816
Administration expenses	3(a)	<u>(11,512)</u>	<u>(11,494)</u>
Operating profit		1,166	1,322
Net finance income	4	<u>370</u>	<u>278</u>
Profit on ordinary activities before and after taxation and total comprehensive income for the financial year		<u>1,536</u>	<u>1,600</u>

All amounts relate to continuing activities

*Following the adoption of IFRS15 Revenue from Contracts with Customers, a new financial statement line "Revenue" replaces the previously reported "Management fees receivable". Comparative figures have been amended accordingly. See note 1(a) for further details.

HAMMERSON OPERATIONS LIMITED**BALANCE SHEET****As at 31 December 2018**

	Note	2018		2017	
		£'000	£'000	£'000	£'000
Non-current fixed assets					
Plant and equipment	6		79		125
Current assets					
Receivables	7	27,722		24,887	
Current liabilities					
Payables	8	(13,086)		(11,833)	
Net current assets			<u>14,636</u>		<u>13,054</u>
Total asset less current liabilities			<u>14,715</u>		<u>13,179</u>
Net assets			<u>14,715</u>		<u>13,179</u>
Capital and reserves					
Called up share capital	9		-		-
Retained earnings	10		<u>14,715</u>		<u>13,179</u>
Total equity			<u>14,715</u>		<u>13,179</u>

These financial statements were approved by the Board of Directors on 19 June 2019 and were signed on its behalf.

**M.R. Bourgeois**

Director

Company Number: 04125216

HAMMERSON OPERATIONS LIMITED**STATEMENT OF CHANGES IN EQUITY**
For the year ended 31 December 2018

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	-	11,579	11,579
Profit and total comprehensive income for the financial year	-	1,600	1,600
Balance at 31 December 2017	-	13,179	13,179
Profit and total comprehensive income for the financial year	-	1,536	1,536
Balance at 31 December 2018	-	14,715	14,715

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS Year ended 31 December 2018

1. ACCOUNTING POLICIES

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

(a) Basis of accounting

During 2018, the following relevant new and revised Standards and Interpretations have been adopted

- IFRS 9 Financial Instruments, effective for accounting periods beginning on or after 1 January 2018.
- IFRS 15 Revenue from Contracts with Customers, effective for accounting periods beginning on or after 1 January 2018.

Impact of new and revised Standards

IFRS 9 Financial Instruments

This standard deals with the classification, measurement and recognition of financial assets and liabilities and replaces the guidance in IAS39 Financial Instruments: Recognition and Measurement.

The standard also introduces an expected credit losses model, which replaces the incurred loss impairment model. Under IFR9, entities are required to calculate expected credit losses on all financial assets, included intercompany loans within the scope of IFRS9. The financial impact of the new standard is immaterial. Trade receivables are shown after deducting a loss allowance provision as set out in note 7. The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. For intercompany loans IFRS9's full expected credit loss model is applied in calculating the relevant expected credit loss.

IFRS 15 Revenue from Contracts with Customers

The standard is based on the principle that revenue is recognised when control passes to a customer. The majority of the Company's income is from fees charged, or chargeable to, group companies for the provision of management and other services and now within the scope of the new standard. A new 'Revenue' line has been included within the statement of comprehensive income which replaces the previously presented 'Fee income'.

A new 'Revenue' line has been included with the statement of comprehensive income which replaces the previously reported 'Management fees receivables'. An analysis of 'Revenue' is provided in note 2 to the financial statements.

Basis of preparation

Hammerson Operations Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out on page 1. The address of the registered office is Kings Place, 90 York Way, London, N1 9GE.

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

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

1. ACCOUNTING POLICIES

(a) Basis of accounting (continued)

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.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(j).

Disclosure exemptions adopted

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101: No additional exemptions have arisen from the updates to IFRS9 and IFRS15.

- IFRS 7, 'Financial Instruments; Disclosures';
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities';
- Paragraph 38 of IAS1, 'Presentation of financial statements' – comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirements for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134 – 136 (capital management disclosures);
- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS what has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

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.

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

1. ACCOUNTING POLICIES (continued)

(b) Going concern

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

(c) Net finance income

Net finance income includes interest received on funds invested, interest receivable from group undertakings and interest on borrowings, net of interest capitalised.

(d) 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.

(e) 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.

(f) 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 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 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.

(g) Employee benefits - defined contribution pension plans

Obligations for contributions to defined contribution pension plans are charged to the statement of comprehensive income as incurred.

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

1. ACCOUNTING POLICIES (continued)

(h) Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable at the balance sheet date, together with any adjustment in respect of previous years.

(i) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation. Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful life, which is generally between three and five years.

(j) Critical accounting policies and estimation uncertainties

Given the nature of the Company's operations the Directors are of the opinion that there are no critical accounting policies or areas of estimation uncertainty.

2. REVENUE

The Company receives fees for providing management services to properties owned by Hammerson UK Properties plc and its subsidiaries and certain joint ventures. All fees are derived in the United Kingdom and can be analysed as follows:

	2018	2017
Analysis:	£'000	£'000
Property management fees*	5,098	5,071
Management fee receivable from fellow group company*	7,580	7,745
	<u>12,678</u>	<u>12,816</u>

*The income streams indicated above reflect revenue recognised under IFRS15 "Revenue from Contracts with Customers".

3. ADMINISTRATION EXPENSES

	2018	2017
(a) Analysis:	£'000	£'000
Staff costs (note 3(b))	7,176	7,299
Management fee payable to fellow group company	<u>2,212</u>	<u>2,065</u>
Total staff costs	9,388	9,364
Other costs	<u>2,124</u>	<u>2,130</u>
	<u>11,512</u>	<u>11,494</u>

The Directors did not receive any remuneration for their services from the Company in the year (2017: £nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of disclosure.

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

3. ADMINISTRATION EXPENSES (continued)

Of the total staff costs £7,580,000 (2017: £7,745,000) was recharged to the tenants and has been treated as management fee income.

Another group company has paid the auditors' fees for the audit of the Company's annual financial statements in both the current and preceding financial year. Fees for the audit of the Company were £2,244 (2017: £4,000).

	2018 £'000	2017 £'000
(b) Staff costs:		
Wages and salaries	5,617	5,602
Performance-related bonuses payable in cash	472	589
	<u>6,089</u>	<u>6,191</u>
Social security costs	700	741
Other pension costs	387	367
	<u>7,176</u>	<u>7,299</u>

(c) The average number of persons employed by the Company during the year was:

	2018 Number	2017 Number
Administrative staff	<u>146</u>	<u>144</u>

4. NET FINANCE INCOME

	2018 £'000	2017 £'000
Interest receivable from ultimate parent company	372	278
Other interest receivable	-	1
Other interest payable	<u>(2)</u>	<u>(1)</u>
	<u>370</u>	<u>262</u>

5. TAXATION

(a) Tax charge

	2018 £'000	2017 £'000
Tax charge on profit on ordinary activities	<u>-</u>	<u>-</u>

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

5. TAXATION (continued)

(b) Factors affecting total tax charge

The tax assessed on the profit for the year is different from the standard rate of corporation tax of 19% (2017: 19.25%). The differences are reconciled below:

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	<u>1,536</u>	<u>1,600</u>
Profit at UK corporation tax rate of 19% (2017: 19.25%)	292	308
Effect of:		
Timing differences	4	3
Permanent differences	2	-
Group relief	<u>(298)</u>	<u>(311)</u>
Total tax charge	<u>-</u>	<u>-</u>

6. PLANT AND EQUIPMENT

The movements in the year were:

	Cost £'000	Depreciation £'000	Net book value £'000
At 1 January 2017	227	(57)	170
Depreciation in the year	<u>-</u>	<u>(45)</u>	<u>(45)</u>
At 1 January 2018	227	(102)	125
Depreciation for the year	<u>-</u>	<u>(46)</u>	<u>(46)</u>
At 31 December 2018	<u>227</u>	<u>(148)</u>	<u>79</u>

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

7. RECEIVABLES: CURRENT ASSETS

	2018 £'000	2017 £'000
Trade receivables	5,989	6,015
Amounts owed by ultimate parent company	21,648	18,798
Amounts owed by Croydon Limited Partnership	64	64
Amounts owed by Hammerson Victoria Quarter Unit Trust	-	2
Other receivables	21	8
	<u>27,722</u>	<u>24,887</u>

All amounts shown under receivables fall due for payment within one year and are repayable on demand. Amounts owed by the ultimate parent company bear interest at variable rates based on LIBOR. Amounts owed by the Croydon Limited Partnership and Hammerson Victoria Quarter Unit Trust are non-interest bearing. The amounts owed are unsecured.

Trade receivables are shown after deducting a loss allowance provision of £55,000 (2017: £4,000).

8. PAYABLES: CURRENT LIABILITIES

	2018 £'000	2017 £'000
Trade payables	579	680
Amounts owed to fellow subsidiary undertakings	8,105	6,869
Deferred income	3,620	3,378
Other payables and accruals	782	906
	<u>13,086</u>	<u>11,833</u>

Amounts owed to fellow subsidiary undertakings are repayable on demand and are non-interest bearing. All amounts owed are unsecured.

9. CALLED UP SHARE CAPITAL

	2018 £	2017 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

HAMMERSON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **Year ended 31 December 2018**

10. RESERVES

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

<u>Reserve</u>	<u>Description and purpose</u>
Called up share capital	Nominal value of share capital subscribed for
Retained earnings	Cumulative profits and losses less any dividends paid

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 COMPANY AND CONTROLLING PARTY

At 31 December 2018, 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 2018, 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.