

Company Number: 04278233

THE JUNCTION (GENERAL PARTNER) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
Year ended 31 December 2017

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THE JUNCTION (GENERAL PARTNER) LIMITED

DIRECTORS' REPORT

Year ended 31 December 2017

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

1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity of The Junction (General Partner) Limited (the "Company") is to act as the General Partner to The Junction Limited Partnership. The Junction Unit Trust is the Limited Partner, owning 99.95% of The Junction Limited Partnership, with the Company owning the remaining 0.05%. 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 £6,000 (2016: £42,000). The Directors do not recommend the payment of a dividend for the year (2016: £nil).

Net assets for the Company as at 31 December 2017 were £57,000 (2016: £51,000).

3. DIRECTORS

- (a) Mr. W.S. Austin, Mr. A.J. Berger-North and Mr. R.G. Shaw were Directors of the Company throughout the year.
- (b) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- (c) No Director has any interests in contracts entered into by the Company.

4. SECRETARY

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

5. GOING CONCERN

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of the net current liability position on the balance sheet as at 31 December 2017 and concluded that it was appropriate. More information is provided in note 1(b) to the financial statements.

6. INDEMNITY

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

7. AUDITORS

PricewaterhouseCoopers LLP were appointed as auditors of the Company during the year and 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.

THE JUNCTION (GENERAL PARTNER) LIMITED

DIRECTORS' REPORT (CONTINUED)

Year ended 31 December 2017

8. 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.

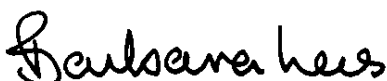
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 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



B. Lees

For and on behalf of
Hammerson Company Secretarial Limited
acting as Secretary
Date: 10 May 2018

Registered Office:

Kings Place
90 York Way
London N1 9GE
Registered in England and Wales
No. 04278233

THE JUNCTION (GENERAL PARTNER) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF THE JUNCTION (GENERAL PARTNER) LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, The Junction (General Partner) Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 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 2017; 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

We have nothing to report in respect of the following matters in relation to which 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.

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.

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

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.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

THE JUNCTION (GENERAL PARTNER) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF THE JUNCTION (GENERAL PARTNER) LIMITED

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 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.

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. 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
10th May 2018

THE JUNCTION (GENERAL PARTNER) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2017

	Notes	2017 £'000	2016 £'000
Decrease in impairment provision	3	<u>6</u>	<u>42</u>
Profit after taxation and total comprehensive income for the financial year		<u>6</u>	<u>42</u>

All amounts relate to continuing activities

THE JUNCTION (GENERAL PARTNER) LIMITED

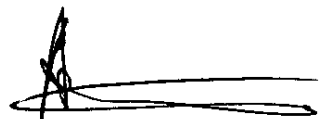
BALANCE SHEET

As at 31 December 2017

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
Tangible fixed assets					
Investments	5(a)		96		90
Current liabilities					
Payables	6	(39)		(39)	
Net current liabilities			(39)		(39)
Net assets			57		51
Capital and reserves					
Called up share capital	7		2		2
Share premium	8		169		169
Accumulated deficit	8		(114)		(120)
Shareholder's equity			57		51

These financial statements were approved by the Board of Directors on 10 May 2018 and authorised for issue on 10 May 2018.

Signed on behalf of the Board of Directors



A.J. Berger-North

Director

Company Number: 04278233

THE JUNCTION (GENERAL PARTNER) LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Shareholder equity £'000
Balance at 1 January 2016	2	169	(162)	9
Profit and total comprehensive income for the financial year	-	-	42	42
Balance at 31 December 2016	2	169	(120)	51
Profit and total comprehensive income for the financial year	-	-	6	6
Balance at 31 December 2017	2	169	(114)	57

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

1. ACCOUNTING POLICIES

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

(a) Basis of accounting

Basis of preparation

The Junction (General Partner) 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 and have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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 instruments 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(g).

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:

- 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';

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

1. ACCOUNTING POLICIES (continued)

(a) Basis of accounting (continued)

- 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 10. Group accounts have not been prepared on the basis that the Company is included in the consolidated financial statements of Hammerson plc.

(b) Going concern

The financial position of the Company is as set out in the balance sheet. The Company has net current liabilities as at 31 December 2017 and is reliant on the support of its ultimate parent company, Hammerson plc, to be able to meet its liabilities as they fall due. The Directors consider that the Company is an integral part of Hammerson plc's structure and strategy and this is evidenced by a letter of support from Hammerson plc, which states its intent to provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

(c) Fixed asset investments

Fixed asset investments, including investments in subsidiaries and associates, are shown at cost less provision for impairment.

(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.

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

1. ACCOUNTING POLICIES (continued)

(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) Critical accounting policies

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The Company's critical judgement and area of estimation uncertainty is in respect of the valuation of investments. The Company's investments includes its investment in The Junction Limited Partnership ("the Partnership"), which is carried in the balance sheet at historical cost less provision for impairment, and is valued by the Directors based upon the net assets of the Partnership in which the Company invests. The principal asset of the Partnership is its investment properties which are valued six monthly by professional qualified external valuers. The Directors must ensure they are satisfied that the Company's investment in the Partnership is appropriate for the accounts. The basis of valuation of the Partnership's investment properties is set out in the notes to the financial statements of the Partnership for the year ended 31 December 2017.

2. ADMINISTRATION EXPENSES

The average number of employees during the year, excluding Directors, was nil (2016: nil).

The Directors did not receive any remuneration for their services from the Company in the year (2016: £nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of disclosure.

Another Group company has paid the auditors' fees for the audit of the Company's annual accounts in both the current and preceding financial year. Fees for the audit of the Company were £1,500 (2016: £1,297)

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

3. DECREASE IN IMPAIRMENT PROVISION

	2017 £'000	2016 £'000
Decrease in impairment of investment - note 5 (b)	<u>6</u>	<u>42</u>

4. TAXATION

The Company's ultimate parent company, Hammerson plc, is a UK Real Estate Investment Trust ("UK REIT"). As a consequence, its subsidiaries 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 from activities conducted via a limited 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.

During the year the Company had taxable income of £1,000 (2016: £nil) relating to its share of the interest income of The Junction Limited Partnership. These amounts were relieved by group relief surrendered without charge. The Company therefore had no tax charge for the year, and this is expected to continue for the foreseeable future.

5. INVESTMENTS

(a) Summary

	2017 £'000	2016 £'000
Investment in The Junction Limited Partnership - note 8 (b)	<u>96</u>	<u>90</u>

(b) Investment in The Junction Limited Partnership

	Cost £'000	Impairment provision £'000	Carrying value £'000
At 1 January 2016	140	(92)	48
Decrease in impairment provision - note 3	<u>-</u>	<u>42</u>	<u>42</u>
At 31 December 2016	140	(50)	90
Decrease in impairment provision - note 3	<u>-</u>	<u>6</u>	<u>6</u>
At 31 December 2017	<u>140</u>	<u>(44)</u>	<u>96</u>

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

5. INVESTMENTS (CONTINUED)

The Company has a 100% interest in the ordinary share capital of the following companies, which are all registered in England and Wales:

The Junction (Thurrock Shareholder GP) Ltd
The Junction Nominee 1 Limited
The Junction Nominee 2 Limited

The Company also has a 0.05% interest in The Junction Limited Partnership. The Partnership is registered in England and Wales and holds for investment Imperial Retail Park and Abbotsinch Retail Park. The registered office of the above entities is Kings Place, 90 York Way, London, N1 9GE.

6. PAYABLES: CURRENT LIABILITIES

	2017 £'000	2016 £'000
Amounts owed to ultimate parent company	<u>39</u>	<u>39</u>

Interest is charged on amounts owed to the ultimate parent company at variable rates based on LIBOR and are repayable on demand.

7. SHARE CAPITAL

	2017 £	2016 £
Authorised:		
1,000 A ordinary shares of £1 each	1,000	1,000
1,000 B ordinary shares of £1 each	1,000	1,000
1,000 C ordinary shares of £1 each	1,000	1,000
1,000 D ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>4,000</u>	<u>4,000</u>
Allotted & called up :		
500 A ordinary shares of £1 each	500	500
500 B ordinary shares of £1 each	500	500
500 C ordinary shares of £1 each	500	500
500 D ordinary shares of £1 each	<u>500</u>	<u>500</u>
	<u>2,000</u>	<u>2,000</u>

The A, B, C and D ordinary shares rank pari passu in all respects.

THE JUNCTION (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

8. RESERVES

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

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

9. ADVANCES, CREDIT AND GUARANTEES

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

10. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

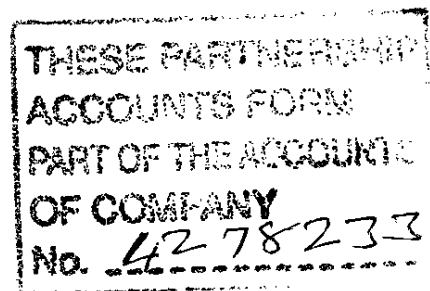
At 31 December 2017, the Company's ultimate parent company was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements. At 31 December 2017, the Company's immediate parent company was Hammerson UK Properties plc.

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.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2017



THE JUNCTION THURROCK LIMITED PARTNERSHIP

REPORT OF THE GENERAL PARTNER

Year ended 31 December 2017

The General Partner submits its report and the Partnership's financial statements for the year ended 31 December 2017. The Report of the General Partner has been prepared in accordance with the provisions applicable to the small partnership regime and consequently no Strategic Report has been prepared.

1. PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENT

The principal activity of The Junction Thurrock Limited Partnership (the "Partnership") is property investment in the United Kingdom. The General Partner does not anticipate any significant change in the principal activity in the foreseeable future.

Details of post balance sheet events are included in note 17 of the financial statements.

2. RESULTS AND DISTRIBUTION

The Partnership made a profit for the financial year of £1,061,000 before partners' interests (2016: Loss £5,564,000). No distributions have been made during the year (2016: £nil).

Net assets for the Partnership as at 31 December 2017 were £132,800,000
(2016: £131,739,000)

3. DIRECTORS OF THE GENERAL PARTNER

- (a) Mr. W.S. Austin, Mr. A.J. Berger-North and Mr. R.G. Shaw were Directors of the General Partner throughout the year.
- (b) In accordance with the Articles of Association of the General Partner, the Directors are not required to retire by rotation.
- (c) No Director has any interests in contracts entered into by the General Partner.

4. INDEMNITY

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

5. GOING CONCERN

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 31 December 2017 and concluded that it was appropriate. More information is provided in note 1(b) to the financial statements.

6. AUDITORS

PricewaterhouseCoopers LLP were appointed as auditors of the Partnership during the year and 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.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

REPORT OF THE GENERAL PARTNER Year ended 31 December 2017

7. STATEMENT OF GENERAL PARTNER 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 and applicable law). Under company law, as applied to qualifying partnerships, the general partner 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 qualifying partnership and of the profit or loss of the qualifying partnership for that period. In preparing the financial statements, the general partner are 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 qualifying partnership will continue in business.

The general partner is responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations.

The general partner is also responsible for safeguarding the assets of the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 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.

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

Approved by The Junction Thurrock (General Partner) Limited, General Partner, and signed on its behalf



A.J. Berger-North

Director

Date: 10 May 2018

THE JUNCTION THURROCK LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF THE JUNCTION THURROCK LIMITED PARTNERSHIP

Report on the audit of the financial statements

Opinion

In our opinion, The Junction Thurrock Limited Partnership's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2017 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2017; the statement of comprehensive income, and the statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

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 qualifying 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the general partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the general partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership'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.

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

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 Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

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.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF THE JUNCTION THURROCK LIMITED PARTNERSHIP

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 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 qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the general partner for the financial statements

As explained more fully in the General Partner's Responsibilities Statement 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 qualifying 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 qualifying 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.

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 opinion, 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 this opinion, 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 received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the qualifying partnership, 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.

Entitlement to exemptions

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. 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

10 May 2018

THE JUNCTION THURROCK LIMITED PARTNERSHIP

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	2017 £'000	2016 £'000
Gross rental income		348	3,046
Rents payable and other property outgoings		<u>(120)</u>	<u>-</u>
Net rental income	3	228	3,046
Administration expenses	4	<u>(84)</u>	<u>(507)</u>
Operating profit before loss on sale of properties and property revaluation losses		144	2,539
Loss on sale of properties	5	(630)	(5,473)
Revaluation losses on properties	7(a)	<u>(77)</u>	<u>(3,531)</u>
Operating loss		(563)	(6,465)
Net finance income	6	<u>1,624</u>	<u>901</u>
Total profit/(loss) and total comprehensive income/(expense) for the financial year before partners' interests		<u>1,061</u>	<u>(5,564)</u>

All amounts relate to continuing activities.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

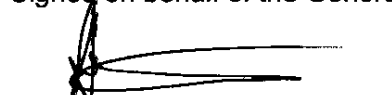
BALANCE SHEET

As at 31 December 2017

	Notes	2017 £'000	2016 £'000
Tangible fixed assets			
Investment properties	7(a)	<u>7,000</u>	<u>22,450</u>
Current assets			
Receivables	8	127,249	112,240
Restricted monetary assets	9	40	126
Cash and deposits	10	<u>26</u>	<u>4</u>
		127,315	112,370
Current liabilities			
Payables	11	<u>(1,515)</u>	<u>(3,081)</u>
Net current assets		<u>125,800</u>	<u>109,289</u>
Net assets		<u>132,800</u>	<u>131,739</u>
Represented by:			
Partners' equity			
Partners' capital accounts	12	146,820	146,820
Partners' current accounts	12	<u>(14,020)</u>	<u>(15,081)</u>
		<u>132,800</u>	<u>131,739</u>

The General Partner in accordance with the Limited Partnership Agreement approved the financial statements on 10 May 2018 and authorised them for issue on 10 May 2018.

Signed on behalf of the General Partner.



A.J. Berger-North
Director

Partnership registration number: LP008503

THE JUNCTION THURROCK LIMITED PARTNERSHIP

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	Partners' capital accounts £'000	Partners' current accounts £'000	Partners' equity £'000
Balance at 1 January 2016	146,820	(9,517)	137,303
Loss and total comprehensive expense for the year	-	(5,564)	(5,564)
Balance at 31 December 2016	146,820	(15,081)	131,739
Profit and total comprehensive income for the year	-	1,061	1,061
Balance at 31 December 2017	146,820	(14,020)	132,800

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

1. ACCOUNTING POLICIES

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

(a) Basis of accounting

Basis of preparation

The Junction Thurrock 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 1. The address of the registered office of the General Partner is the same as that of Hammerson plc, the ultimate controlling party, which is Kings Place, 90 York Way, London, N1 9GE.

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

The presentation currency used is sterling and amounts have been presented in round thousands ("£000s"). The financial statements have been prepared on a historical cost basis, except for the revaluation of investment properties. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The preparation of financial instruments 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(f).

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:

- 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);

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

ACCOUNTING POLICIES (CONTINUED)

(a) Basis of accounting (continued)

- 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 Partnership is consolidated. The financial statements of Hammerson plc can be obtained as described in note 16.

(b) Going concern

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

(c) Net rental income

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

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

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

Included in net rental income is £nil (2016: £5,000) of contingent rents calculated by reference to tenants' turnover.

(d) Loss on sale of properties

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

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

ACCOUNTING POLICIES (CONTINUED)

(e) Investment properties

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

(f) Critical accounting policies and estimation uncertainties

In the application of the Partnership's accounting policies, the Directors of the General Partner are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

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

(g) Loans receivable

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

(h) Borrowings

Borrowings are recognised initially at fair value, after taking account of any discount on issue and attributable transaction costs. Subsequently, borrowings are held at amortised cost, such that discounts and costs are charged to the statement of comprehensive income over the term of the borrowing at a constant return on the carrying value of the liability.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Financial assets and liabilities are 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.

(j) Cash and cash equivalents and restricted monetary assets

Cash and deposits comprise cash and short-term bank deposits with an original maturity of three months or less which are readily accessible. Restricted monetary assets relate to cash balances which legally belong to the Partnership but which the Partnership cannot readily access. These do not meet the definition of cash and cash equivalents and consequently are presented separately from cash and deposits in the Partnership's balance sheet.

(k) Net finance income

Net finance income includes interest receivable on borrowings and is included within the statement of comprehensive income.

(l) Distributions

Distributions are paid to the partners out of realised profits which are available for distribution. Distributions are shown in the statement of changes in equity.

2. LIMITED PARTNERSHIP AGREEMENT ('The Agreement')

- (a) The Agreement dated 17 January 2003 states that the purpose of the Partnership is to carry out property investment and development.
- (b) During the year The Junction Thurrock (General Partner) Limited acting as the General Partner had an interest of 0.1% in the profits and assets of the Partnership.
- (c) At 31 December 2017, The Junction Thurrock Unit Trust acting as the Limited Partner had an interest of 99.9% in the profits and assets of the Partnership.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

3. NET RENTAL INCOME

	2017 £'000	2016 £'000
Gross rental income	348	3,046
Ground and equity rents payable	-	-
Gross rental income, after rents payable	348	3,046
Service charge income	4	358
Service charge expenses	(149)	(510)
Net service charge expenses	(145)	(152)
Other property outgoings	25	152
Property outgoings	(120)	-
Net rental income	228	3,046

4. ADMINISTRATION EXPENSES

	2017 £'000	2016 £'000
Management fees payable to Hammerson Group Management	60	502
Other expenses	24	5
	84	507

The Directors did not receive any remuneration for their services from the Partnership in the year (2016: £nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purpose of disclosure. The services of the Directors of the General Partner are of a non-executive nature.

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

Another group company has paid the auditors' fees for the audit of the Partnership's financial statements in the current year. Fees for the audit of the Partnership were £2,200 (2016: £2,291).

5. LOSS ON SALE OF PROPERTIES

	2017 £'000	2016 £'000
Gross proceeds on sale	15,700	100,070
Carrying value of properties sold	(15,955)	(103,571)
Deficit over carrying value	(255)	(3,501)
Selling expenses	(375)	(1,972)
	(630)	(5,473)

The Partnership disposed of part of Lakeside Extra Retail Park on 31 March 2017

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

6. NET FINANCE INCOME

	2017 £'000	2016 £'000
Loan interest receivable	1,624	900
Bank and other interest receivable	-	1
	<u>1,624</u>	<u>901</u>

7. INVESTMENT PROPERTIES

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

Long Leasehold	2017 £'000	2016 £'000
At 1 January	22,450	128,950
Additions at cost	582	684
Disposals	(15,955)	(103,571)
Amortisation of lease incentives	-	(82)
Deficit on revaluation	(77)	(3,531)
At 31 December	<u>7,000</u>	<u>22,450</u>

(b) The properties are stated at fair value at 31 December 2017, valued by professionally qualified external valuers, Cushman Wakefield Debenham Tie Leung, Chartered Surveyors. The valuations have been prepared in accordance with the RICS Valuation – Professional Standards 2014 based on certain assumptions as set out in note 1(f).

(c) The historical cost of investment properties at 31 December 2017 was £7,652,000 (2016: £13,473,000)

8. RECEIVABLES: CURRENT ASSETS

	2017 £'000	2016 £'000
Trade receivables	2	18
Amounts owed by ultimate parent company	127,029	111,928
Amounts owed by fellow subsidiary undertakings	3	232
Other receivables	211	55
Prepayments	4	7
	<u>127,249</u>	<u>112,240</u>

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

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

9. RESTRICTED MONETARY ASSETS

	2017 £'000	2016 £'000
Cash held on behalf of third parties	<u>40</u>	<u>126</u>

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

10. CASH AND DEPOSITS

	2017 £'000	2016 £'000
Cash at bank	<u>26</u>	<u>4</u>

At 31 December 2017, the Partnership's managing agent held cash of £26,000 (2016: £4,000) on behalf of the Partnership which is not restricted and is available to the Partnership and as such has been included in cash and deposits.

11. PAYABLES: CURRENT LIABILITIES

	2017 £'000	2016 £'000
Trade payables	606	1,043
Amounts due to fellow subsidiary undertakings	548	1,782
Other payables and accruals	361	58
Deferred income	-	198
	<u>1,515</u>	<u>3,081</u>

The amounts due to fellow subsidiary undertakings are repayable on demand and are non-interest bearing.

12. PARTNERS' EQUITY

	2017 £'000	2016 £'000
Partners' capital accounts		
- General Partner	69	69
- Limited Partner	188,416	188,416
- Capital redemption reserve	(41,665)	(41,665)
	<u>146,820</u>	<u>146,820</u>
Partners' current accounts	(14,020)	(15,081)
	<u>132,800</u>	<u>131,739</u>

The Partners' capital contribution is in proportion to each partner's interest. Under the Limited Partnership Agreement no further capital is required to be injected and no interest is payable on the capital.

THE JUNCTION THURROCK LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

12. PARTNERS' EQUITY (CONTINUED)

The equity loans are non-interest bearing, long-term funding, which is equity in nature and is in proportion to each Partner's interest.

The Partners' current accounts represent the cumulative profits and losses of the Partnership after deduction of distributions to the Partners.

13. THE PARTNERSHIP AS LESSOR – OPERATING LEASE RECEIPTS

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

	2017 £'000	2016 £'000
Within one year	183	856
From one to two years	183	856
From two to five years	431	1,821
Over five years	120	2,300
	<hr/>	<hr/>
	917	5,833

14. ADVANCES, CREDIT AND GUARANTEES

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

15. CONTINGENT LIABILITIES

At 31 December 2017 there were contingent liabilities of £nil (2016: £1,600,000) relating to claims against the Partnership arising in the normal cause of business, which are considered unlikely to crystallise.

16. ULTIMATE CONTROLLING PARTIES

At 31 December 2017, the Partnership'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 2017, the Partnership's immediate parent entity was The Junction Thurrock Unit Trust.

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.

17. POST BALANCE SHEET EVENT

The partnership completed on the sale of the remaining property (Lakeside Extra Retail Park) on 5 April 2018.