

King's Cross

King's Cross Central General Partner Limited

Directors' Report and Consolidated Financial Statements

for the year ended 31 March 2023



Company number: 6387691

King’s Cross Central General Partner Limited

CONTENTS

	Page
Directors’ Report	1
Consolidated Statement of Comprehensive Income	2
Consolidated Statement of Financial Position	3
Company Statement of Financial Position	4
Notes to the Consolidated Financial Statements	5

King's Cross Central General Partner Limited

DIRECTORS' REPORT

The directors present their directors' report and the unaudited consolidated financial statements for King's Cross Central General Partner Limited ("the Company") for the year ended 31 March 2023.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. Under section 1A of FRS 102 (applicable to small companies), consolidation is not required. However, the Company has voluntarily prepared consolidated financial statements. See accounting policy note 1(b) for details on the basis of consolidation.

Principal activities

The principal activity of the Company is to act as the General Partner of the King's Cross Central Limited Partnership ("KCCLP") (Company number: LP012617). No change in the Company's activities is anticipated.

Dividends

No dividends were declared or paid during the current or preceding year.

Directors

The directors who held office during the year, and at the date of signature of the financial statements, were as follows:

J Bednall	
P R Clark	
Sir D C Clementi	(Chairman)
N C Deacon	
R M Evans*	
C L McConville	
N P Searl	(alternate director)
C M Taylor	
K A Wilman	(appointed 8 May 2023)
C R A Darroch	(resigned 8 May 2023)
S J Doughty	(resigned 31 December 2022)
P G Freeman*	(resigned 4 November 2022)
M B Lightbound	(alternate director, resigned 4 November 2022)

The individuals marked with an asterisk held Ordinary shares indirectly via their indirect interests in Argent King's Cross Nominee Limited.

Going concern

The directors have reasonable expectations that the Group (as defined on page 5) and Company have adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements. Accordingly, the directors continue to adopt a going concern basis in preparing the financial statements.

Auditor

The Company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 March 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

David Clementi

Sir David Clementi

Approved by the Board of Directors and signed on behalf of the Board

16 November 2023

King's Cross Central General Partner Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year end 31 March 2023

	<i>Note</i>	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Rental income		96,707	93,421
Property overheads		(4,499)	(2,934)
		<u>92,208</u>	<u>90,487</u>
Revenue from trading property		5,704	22,225
Other revenue		41,519	33,969
Cost of sales		(53,070)	(53,192)
GROSS PROFIT		<u>86,361</u>	<u>93,489</u>
Administrative expenses	3	(15,620)	(14,055)
Other income		920	833
OPERATING PROFIT		<u>71,661</u>	<u>80,267</u>
Revaluation of investment properties	5	(89,979)	140,833
Profit/(loss) from investments		324	(1,541)
Profit on disposal of investment properties		-	4,778
Fair value movement of financial instruments		2,011	35,793
Finance income		1,539	119
Finance costs		(48,855)	(32,967)
(LOSS)/PROFIT FOR THE YEAR	16	<u>(63,299)</u>	<u>227,282</u>
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss</i>			
Changes in fair value of cash flow hedges	16	(961)	2,120
TOTAL COMPREHENSIVE (LOSS)/INCOME		<u>(62,260)</u>	<u>229,402</u>

All activities during the current year and prior period are derived from continuing operations.

The notes set out on pages 5 to 20 form part of these financial statements.

King's Cross Central General Partner Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2023

	Note	31 March 2023	31 March 2022
		£	£
NON-CURRENT ASSETS			
Investment property	5	2,194,851	2,314,431
Investment property in the course of development	5	287,697	170,717
		<u>2,482,548</u>	<u>2,485,148</u>
Property, plant and equipment	6	4,827	4,337
Other financial assets	14	26,237	2,202
Investment in associates	7	135,443	136,811
Unlisted investment	8	485	168
Receivables greater than one year	11	12,920	12,486
		<u>2,662,460</u>	<u>2,641,152</u>
CURRENT ASSETS			
Inventory	9	173,322	111,891
Trade and other receivables	10	178,635	131,277
Cash at bank		129,114	124,165
		<u>481,071</u>	<u>367,333</u>
TOTAL ASSETS		<u>3,143,531</u>	<u>3,008,485</u>
CURRENT LIABILITIES			
Trade and other payables	12	83,2401	84,574
Other financial liabilities	14	48,095	273,378
Payments on account	15	31,569	18,433
Loans to Partners of KCCLP		213,612	213,612
		<u>376,516</u>	<u>589,997</u>
NON-CURRENT LIABILITIES			
Trade and other payables	12	936	17,327
Initial Committed Advances (ICAs)	13	52,709	51,358
Other financial liabilities	14	1,175,365	747,538
		<u>1,229,010</u>	<u>816,223</u>
TOTAL LIABILITIES		<u>1,605,526</u>	<u>1,406,220</u>
NET ASSETS		<u>1,538,005</u>	<u>1,602,265</u>
CAPITAL AND RESERVES			
Share capital	16	2,011	2,011
Profit and loss account	16	1,537,054	1,600,194
Hedging reserve	16	-	961
Equity attributable to parent entity shareholders		<u>1,539,065</u>	<u>1,603,166</u>
Minority interest		(1,060)	(901)
TOTAL EQUITY		<u>1,538,005</u>	<u>1,602,265</u>

The notes set out on pages 5 to 20 form part of these financial statements.

These financial statements on pages 2 to 20 were approved and authorised for issue by the Board on: 16 November 2023

*David Clementi***Sir David Clementi**
Chairman

Company number: 6387691

King's Cross Central General Partner Limited

COMPANY STATEMENT OF FINANCIAL POSITION as at 31 March 2023

	Note	31 March 2023 £	31 March 2022 £
NON-CURRENT ASSETS			
Investment	4	16	16
		<u>16</u>	<u>16</u>
CURRENT ASSETS			
Trade and other receivables	10	2,003	2,003
Cash at bank		-	-
		<u>2,003</u>	<u>2,003</u>
TOTAL ASSETS		<u>2,019</u>	<u>2,019</u>
CURRENT LIABILITIES			
Trade and other payables	12	8	8
		<u>8</u>	<u>8</u>
TOTAL LIABILITIES		<u>8</u>	<u>8</u>
NET ASSETS		<u>2,011</u>	<u>2,011</u>
CAPITAL AND RESERVES			
Share capital	16	2,011	2,011
		<u>2,011</u>	<u>2,011</u>
TOTAL EQUITY		<u>2,011</u>	<u>2,011</u>

The notes set out on pages 5 to 20 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 March 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

Under section 1A of FRS 102 (applicable to small companies), consolidation is not required. However, the Company has voluntarily prepared consolidated financial statements.

The Company generated a profit of £Nil (2022: £Nil) for the year. The Company has not disclosed its individual profit and loss account in accordance with the exemption afforded by section 408 of the Companies Act 2006.

These financial statements (Company No: 6387691) were approved by the Board on. 16 November 2023

Signed on behalf of the Board

David Clementi

Sir David Clementi
Chairman

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS as at 31 March 2023

1 SIGNIFICANT ACCOUNTING POLICIES

The Company is a private company limited by shares incorporated in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB. The consolidated financial statements for the year ended 31 March 2023 comprise the Company and all of its subsidiaries including the proportionally consolidated results of KCCLP.

(a) *Basis of preparation*

These financial statements have been prepared in accordance with section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are presented in £ sterling, on the historical cost basis, other than the revaluation of investment properties and certain financial instruments.

The accounting policies have been consistently applied to the results, assets, liabilities and cash flows of the Company and Group.

(b) *Basis of consolidation*

The consolidated financial statements of the Group (as defined below) for the year ended 31 March 2023 comprise the Company and its non-dormant subsidiaries, King's Cross Central Limited Partnership ("KCCLP"), KC (B2&B4) GP Limited ("B2B4"), KC Green GP Limited ("KC Green"), KC 3&4 PS GP Limited ("3/4 PS"), KC (SPH) Limited GP Limited ("KC (SPH)"), KC Cadence GP Limited ("Cadence"), KC R8 GP Limited ("R8 GP"), KC S3 GP Limited ("S3 GP") and KC S4 GP Limited ("S4 GP"), together the "Group".

As the General Partner of KCCLP, and holding an 0.08% share in it, the Company is considered to have control over this entity. Control exists when the directors have the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The accounts of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The directors consider the financial statements would not give a true and fair view of the assets and liabilities and income and expenditure if KCCLP were to be fully consolidated. Therefore, they have taken advantage of the provisions under section 404 (5) of the Companies Act 2006 and have proportionally consolidated its interest in KCCLP, in order for the financial statements to give a true and fair view.

All financial statement are made up to 31 March 2023. It has not been necessary to make any adjustments to the financial statements of the subsidiaries to bring the accounting policies used in line with those used by other members of the group. All intra-group transactions, balances between group companies are eliminated on consolidation.

If the financial statements of KCCLP were fully consolidated using 0.08% shareholding, the Group's financial statements would change by the following amounts:

	2023 £	2022 £
(Loss)/profit for the year	(76,653,628)	243,730,859
Minority interest in the profit and loss account	76,653,628	(243,730,859)
Profit attributable to shareholders of the parent entity	-	-

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2023

	2023 £	2022 £
Investment properties	3,100,702,452	3,103,949,852
Net current assets and other non-current assets	451,124,812	10,162,863
Long term borrowings	(1,535,033,990)	(1,019,463,776)
Net assets	2,016,793,274	2,094,648,939
Minority interest	(2,016,793,274)	(2,094,648,939)
Equity attributable to shareholders of the parent entity	-	-

(c) *Judgements and estimates*

The preparation of financial statements requires the directors to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and 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 estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Judgements made by the directors in the application of FRS102 that have a significant impact on the financial statements, primarily relate to the carrying value of investment property and investment property in the course of development. The directors have had regard to a valuation prepared by an independent valuer when making this judgement.

(d) *Going concern*

The Directors consider that the Company will be able to meet all of its current liabilities as they fall due for at least the twelve months following the date of these financial statements. The Directors therefore conclude that the Company has adequate resources to continue in existence for the foreseeable future and thus it is appropriate to prepare these financial statements on a going concern basis.

(e) *Investment property in the course of development*

Property that is being constructed or developed for future use as investment property is classified as investment property in the course of development. The Group adopts the valuation model under FRS102.

All costs directly associated with the purchase and construction of a property and all subsequent capital expenditure on the development qualify as acquisition costs and are capitalised.

When it is determined that a plot will be developed and then sold, the land concerned, and associated costs are transferred to inventory at fair value at the date of transfer. This is deemed to be the earlier of a meaningful commencement of building works or a binding sale agreement.

A disposal of investment property is recognised when the Group has transferred the significant risks and rewards of ownership to the buyer and it no longer retains control or has managerial involvement in the investment property. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit and loss.

Refer to note 4 for details of measurement of fair value.

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

- (f) *Investment property*
Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value.
- An external independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio each quarter. Any gain or loss arising from a change in fair value is recognised in profit or loss.
- The fair value of investment property excludes accrued operating lease income arising from the smoothing of rental income over the lease term because the Group recognises this as a separate asset.
- (g) *Property, plant and equipment*
Fixtures and fittings are stated at cost less accumulated depreciation. Depreciation is charged to profit and loss on a straight-line basis over the estimated useful lives of the assets concerned, which is considered to be three years for all of the Group's fixtures and fittings capitalised to date, apart from long-life plant and machinery, which is depreciated over 20 years.
- (h) *Investments in associate*
Investments in associate are recognised at fair value through profit and loss. The investment is measured initially at its transaction price, and then remeasured to fair value each reporting date. Changes in fair value are recognised through profit or loss.
- The fair value of the subsidiaries' investment in its Limited Partnership (as detailed in note 7) is estimated to be equal to the subsidiary's share of the net asset value ("NAV") of the Limited Partnership, as at the statement of financial position date. The value assigned to the investment is based upon available information and does not necessarily represent amounts which might be ultimately realised.
- The investment in the Limited Partnership is valued based on the latest available information for the Limited Partnership. The subsidiaries review the details of the reported information obtained from the Limited Partnership and considers:
- (a) the liquidity of the Limited Partnership or its underlying investments; and
 - (b) the value date of the net asset value ("NAV") provided.
- If necessary, the Subsidiaries will make adjustments to the NAV of the Limited Partnership to obtain the best estimate of fair value.
- Investments in associate is classified under Level 3 of the fair value hierarchy.
- (i) *Inventory*
Inventory is shown at the lower of cost and net realisable value. Costs include interest and other finance costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and those necessary to make the sale.
- (j) *Development costs*
Development costs incurred before land is acquired and projects commence are capitalised if it is sufficiently probable that the project will go ahead. They are initially recognised at cost and then allocated to the project as inventory or investment property on its commencement. The costs are written off if the project is no longer sufficiently probable to proceed or is cancelled.
- (k) *Trade and other receivables*
Trade and other receivables are initially recognised at fair value and then subsequently at amortised cost less impairment losses (see accounting policy 1(l)).
- (l) *Cash and cash equivalents*
Cash and cash equivalents comprises of cash balances and call deposits.

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

(m) *Impairment*

Carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

The recoverable amount of the Group's receivables is calculated at the present value of expected future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. An impairment loss in respect of a receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Trade and other payables*

Trade and other payables are initially recognised at fair value and then subsequently at amortised cost.

Performance Fees payable to Argent (King's Cross) Limited (the "Asset Manager"), based on the attainment of specific events are accrued for when the fees are earned.

(o) *Interest-bearing borrowings, derivative financial instruments and cash flow hedges*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Derivative financial instruments are recognised at fair value. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged. The gain or loss on re-measurement to fair value is recognised immediately in profit and loss unless hedge accounting is adopted.

The Group takes out interest rate swaps and interest rate caps which are designated as cash flows hedges, so the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve via other comprehensive income. Any ineffective portion of the hedge is recognised immediately in profit and loss.

Hedges are included at valuations obtained from the counterparty of the hedge.

(p) *Revenue*

Rent from investment properties leased under operating leases is recognised in profit and loss on a straight-line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income.

Revenue (net of VAT) from the sale of properties from inventory is recognised in profit and loss when the significant risks and rewards of ownership have transferred to the buyer. Revenue for services rendered (such as construction services and project management fees) is recognised in profit and loss in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No income is recognised if there are significant uncertainties regarding recovery of the consideration due or the associated costs.

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

- (q) *Expenses*
Property operating expenses and service costs for service contracts including Performance and Milestone Payments (see note 1(m)) are expensed as earned.
- (r) *Finance costs*
All finance costs incurred in relation to investment properties and investment properties in the course of construction are expensed in the profit and loss.
- (s) *Taxation*
Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

2 STAFF NUMBERS AND COSTS

	Group	
	2023	2022
	£	£
During the year ended 31 March 2023, the Group had 13 direct employees (31 March 2022: 15 direct employees):		
Chairman's fees	112	112
Other payroll costs, including National Insurance	126	177
	<u>238</u>	<u>289</u>

3 ADMINISTRATIVE EXPENSES

	Group	
	2023	2022
	£	£
Operating profit is stated after charging:		
Depreciation	322	323
Auditor's remuneration - audit	178	139
Auditor's remuneration - other assurance related services	10	9

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

4	INVESTMENT IN SUBSIDIARIES	Company	
		2023	2022
		£	£
	King's Cross Central Limited Partnership	8	8
	KC (B2&B4) GP Limited	1	1
	KC Green GP Limited	1	1
	KC 3&4 PS GP Limited	1	1
	KC (SPH) Limited GP Limited	1	1
	KC Cadence GP Limited	1	1
	KC (R8) GP Limited	1	1
	KC (S3) GP Limited	1	1
	KC (S4) GP Limited	1	1
	At end of the year	<u>16</u>	<u>16</u>
		2023	2022
		£	£
	At beginning of the year	16	14
	Additions	-	2
	At end of the year	<u>16</u>	<u>16</u>

The investment in Subsidiaries represents the Company's 0.08% interest in KCCLP and 100% interest in B2&B4, KC Green, 3/4 PS, KC (SPH), Cadence, R8, S3, and S4 GPs.

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Proportion of ownership interest	Nature of business
KCC Nominee 1 Limited	100%	Holding company
KCC Nominee 2 Limited	100%	Holding company
KCC Nominee 1 (WTS) Limited	100%	Holding company
KCC Nominee 2 (WTS) Limited	100%	Holding company
KCC Nominee 1 (T5) Limited	100%	Holding company
KCC Nominee 2 (T5) Limited	100%	Holding company
KCC Nominee 1 (J) Limited	100%	Holding company
KCC Nominee 2 (J) Limited	100%	Holding company
KCC Nominee 1 (P2) Limited	100%	Holding company
KCC Nominee 2 (P2) Limited	100%	Holding company
KCC Nominee 1 (Q1) Limited	100%	Holding company
KCC Nominee 2 (Q1) Limited	100%	Holding company
KCC Nominee 1 (R1) Limited	100%	Holding company
KCC Nominee 2 (R1) Limited	100%	Holding company
KCC Nominee 1 (R6) Limited	100%	Holding company
KCC Nominee 2 (R6)	100%	Holding company
KCC Nominee 1 (R3/R6) Limited	100%	Holding company
KCC Nominee 2 (R3/R6) Limited	100%	Holding company
KCC Nominee 1 (B3) Limited	100%	Holding company
KCC Nominee 2 (B3) Limited	100%	Holding company
KCC Nominee 1 (R5N) Limited	100%	Holding company
KCC Nominee 2 (R5N) Limited	100%	Holding company
KCC Nominee 1 (P1) Limited	100%	Holding company
KCC Nominee 2 (P1) Limited	100%	Holding company
King's Cross Events Limited	100%	Holding company
KCC Nominee 1 (B5) Limited	100%	Holding company
KCC Nominee 2 (B5) Limited	100%	Holding company
KC (B2&B4) GP Limited	100%	Holding company
KCC Nominee 1 (B2) Limited	100%	Holding company
KCC Nominee 2(B2) Limited	100%	Holding company
KCC Nominee 1 (B4) Limited	100%	Holding company
KCC Nominee 2 (B4) Limited	100%	Holding company
KCC Nominee 1 (T1) Limited	100%	Holding company
KCC Nominee 2 (T1) Limited	100%	Holding company
KCC Nominee 1 (R2) Limited	100%	Holding company
KCC Nominee 2 (R2) Limited	100%	Holding company
KCC Nominee 1 (MGS) Limited	100%	Holding company
KCC Nominee 2 (MGS) Limited	100%	Holding company
KCC Nominee 1 (Coal Drops) Limited	100%	Holding company
KCC Nominee 2 (Coal Drops) Limited	100%	Holding company
KCC Nominee 1 (GG) Limited	100%	Holding company
KCC Nominee 2 (GG) Limited	100%	Holding company
KCC Nominee 1 (G1Pav) Limited	100%	Holding company
KCC Nominee 2 (G1Pav) Limited	100%	Holding company
KCC Nominee 1 (B6) Limited	100%	Holding company
KCC Nominee 2 (B6) Limited	100%	Holding company
KCC Nominee 1 (N1) Limited	100%	Holding company
KCC Nominee 2 (N1) Limited	100%	Holding company
KCC Nominee 1 (N1 Resi) Limited	100%	Holding company
KCC Nominee 2 (N1 Resi) Limited	100%	Holding company
KCC Nominee 1 (R7) Limited	100%	Holding company

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

KCC Nominee 2 (R7) Limited	100%	Holding company
KCC Nominee 1 (S1) Limited	100%	Holding company
KCC Nominee 2 (S1) Limited	100%	Holding company
KCC Nominee 1 (S2) Limited	100%	Holding company
KCC Nominee 2 (S2) Limited	100%	Holding company
KCC Nominee 1 (FC) Limited	100%	Holding company
KCC Nominee 2 (FC) Limited	100%	Holding company
R3/R6 Manco Limited	100%	Holding company
KCC Nominee 1 (T2/T3) Limited	100%	Holding company
KCC Nominee 2 (T2/T3) Limited	100%	Holding company
KCC Nominee 1 (S5) Limited	100%	Holding company
KCC Nominee 2 (S5) Limited	100%	Holding company
KCC Nominee 1 (R8) Limited	100%	Holding company
KCC Nominee 2 (R8) Limited	100%	Holding company
KCC Nominee 1 (S3) Limited	100%	Holding company
KCC Nominee 2 (S3) Limited	100%	Holding company
KCC Nominee 1 (Q2) Limited	100%	Holding company
KCC Nominee 2 (Q2) Limited	100%	Holding company
KCC Nominee 1 (S4) Limited	100%	Holding company
KCC Nominee 2 (S4) Limited	100%	Holding company
Gasholders Manco Limited	100%	Holding company
Cadence Manco Limited	100%	Holding company
S4 Manco Limited	100%	Holding company
KC Green GP Limited	100%	Holding company
KC Green Holdco Limited	100%	Holding company
KC3&4PS GP Limited	100%	Holding company
KC 3&4PS Holdco Limited	100%	Holding company
KC (SPH) GP Limited	100%	Holding company
KC (SPH) Holdco Limited	100%	Holding company
KC Cadence GP Limited	100%	Holding company
KC Cadence Holdco Limited	100%	Holding company
KC (R8) GP Limited	100%	Holding company
KC (R8) Holdco Limited	100%	Holding company
KC (S3) GP Limited	100%	Holding company
KC (S3) Holdco Limited	100%	Holding company
KC (S4) GP Limited	100%	Holding company
KC (S4) Holdco Limited	100%	Holding company

All subsidiaries are incorporated in the United Kingdom and have a registered address of 4 Stable Street, London N1C 4AB.

5

INVESTMENT PROPERTY

	Group	
	2023	2022
	£	£
At beginning of the year	2,314,431	2,019,525
Additions	5,892	18,162
Transfer from investment property in the course of development	-	196,200
Revaluation	(125,472)	80,544
At end of the year	2,194,851	2,314,431

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2023**INVESTMENT PROPERTY IN THE
COURSE OF DEVELOPMENT**

	2023 £	2022 £
At beginning of the year	170,717	261,984
Additions at cost during the year	81,487	68,239
Disposals	-	(10,000)
Transferred to inventory	-	(13,595)
Transfer to investment properties	-	(196,200)
Revaluation	35,493	60,289
	<hr/>	<hr/>
At end of the year	287,697	170,717
	<hr/>	<hr/>

The additions during the year represent payments to contractors for construction work undertaken to date and fees paid to both third party consultants and the Asset Manager.

MEASUREMENT OF FAIR VALUE*Fair value hierarchy*

The fair value of investment property was determined by an external independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provides the fair value of the Partnership's investment property portfolio every three months.

The fair value measurement for investment property and investment property in the course of development is £3,103 million (0.08% being £2.5 million) (2022: £3,106 million (0.08% being £2.5 million)) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

	Investment property £	Investment property in the course of development £
Balance at 31 March 2022	2,314,431	170,717
Other movements – additions and transfers	5,892	81,487
Changes in fair value (unrealised)	(125,472)	35,493
	<hr/>	<hr/>
Balance at 31 March 2023	2,194,851	287,697
	<hr/>	<hr/>

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

Valuation technique and significant observable inputs:

The following table shows the valuation technique used in measuring the fair value of investment property and investment property in the course of development, as well as the significant observable inputs used.

<i>Property type:</i>	<i>Valuation technique:</i>	<i>Significant observable inputs:</i>	<i>Inter-relationship between observable inputs and fair value measurement:</i>
Completed properties held for investment	Income capitalisation	Commercial office rent and retail rental value of £20 to £93 psf. Equivalent yields of 3.75% to 5.00%.	The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> • expected market rental growth is higher/(lower) • yields are lower/(higher).
Investment property (including land) in the course of development	Residual land valuation	Estimated rental values of £20 to £93 psf. Equivalent yields of 3.75% to 5.00%.	The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> • expected market rental growth is higher/(lower) • yields are lower/(higher)

6 PROPERTY, PLANT AND EQUIPMENT

	Group	
	2023	2022
	£	£
COST		
At beginning of the year	10,320	8,803
Additions	812	1,517
At end of the year	11,132	10,320
DEPRECIATION		
At beginning of the year	(5,983)	(5,660)
During the year	(322)	(323)
At end of the year	(6,305)	(5,983)
Net book value at 31 March	4,827	4,337

7 INVESTMENT IN ASSOCIATES

	Group	
	2023	2022
	£	£
At 1 April	136,811	103,127
Movement in the year	(1,368)	33,684
At 31 March	135,443	136,811

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

The investment in associates represents a 0.01% interest in each of KC Green Limited Partnership (partnership no. LP019657), KC 3&4 PS Limited Partnership (partnership no. LP020299), KC (B2&B4) Limited Partnership (partnership no. LP015093), KC (SPH) Limited Partnership (partnership no. LP020656), KC Cadence Limited Partnership (partnership no. LP020954), KC R8 Limited Partnership (partnership no. LP021525), KC S3 Limited Partnership (partnership no. LP021844) and KC S4 Limited Partnership (partnership no. LP021992) registered in England under the Limited Partnership Act 1907, whose principal activities is the development and investment within the King's Cross Estate.

KC (B2&B4) GP Limited ("B2B4"), KC Green GP Limited ("KC Green"), KC 3&4 PS GP Limited ("3/4 PS"), KC (SPH) Limited GP Limited ("KC (SPH)"), KC Cadence GP Limited ("Cadence"), KC R8 GP Limited ("R8"), KC S3 GP Limited ("S3") and KC S4 GP Limited ("S4") (together "the GP's") are deemed to have significant influence over their respective Limited Partnership as noted above, and this investment is recognised as an investment in associate. This investment is accounted for in line with Section 14 Investments in Associates, adopting the fair value through profit and loss accounting method in the subsidiary's financial statements.

The fair value of the GP's investment in its respective Limited Partnership is based on the GP's share of the net asset value of the Limited Partnership. With the absence of a quoted market, this is deemed an appropriate and recognised valuation basis for the GP's interest in its Limited Partnership.

8	UNLISTED INVESTMENT	Group	
		2023	2022
		£	£
	Unlisted equity investment	485	168
	Movement in investment:		
			Group
			£
	COST		
	At 1 April 2022		168
	Additions		317
	At 31 March 2023		485
	IMPAIRMENT		
	At 1 April 2022		-
	Impairment losses		-
	At 31 March 2023		-
	Net book value at 31 March 2023		485
	Net book value at 31 March 2022		168

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2023

9	INVENTORY	Group	
		2023	2022
		£	£
	At beginning of the year	111,891	61,782
	Additions	67,013	54,525
	Interest costs capitalised	2,706	1,412
	Disposals during the year	(8,288)	(19,423)
	Transferred from investment property in the course of development (note 5)	-	13,595
	At end of the year	173,322	111,891

As at 31 March 2023, all inventory was held at historic cost, or deemed cost being the fair value at the date of transfer from investment property, with no provisions. An impairment assessment was carried out. Although the costs are lower than the Fair Value, the Net Realisable Value (which is calculated on an individual unit basis rather than on a plot level) is greater than the historic cost and therefore, no impairment was made in the year. Inventory has been valued by an independent valuer at a gross value of £212.2 million (0.08% being £169,800) (2022: £129.6 million (0.08% being £103,700)).

10	TRADE AND OTHER RECEIVABLES	Group		Company	
		2023	2022	2023	2022
		£	£	£	£
	Trade receivables	7,306	7,429	-	-
	Escrow deposits and retentions	29,749	12,202	-	-
	HMRC – Value Added Tax	746	1,495	-	-
	Other receivables	3,028	8,254	2,003	2,003
	Accrued rental income	131,193	98,734	-	-
		172,022	128,114	2,003	2,003
	Development costs	6,613	3,163	-	-
		178,635	131,277	2,003	2,003

Development costs are those capitalised in respect of St Pancras Hospital project.

11	RECEIVABLES DUE IN MORE THAN ONE YEAR	Group	
		2023	2022
	Retentions	4,000	4,000
	Accrued income	8,920	8,486
	At end of the year	12,920	12,486

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2023

12	TRADE AND OTHER PAYABLES	Group		Company	
		2023	2022	2023	2022
		£	£	£	£
	CURRENT				
	Fees payable to the Asset Manager	314	12,781	-	-
	Other payables and accruals	82,926	71,793	8	8
		<u>83,240</u>	<u>84,574</u>	<u>8</u>	<u>8</u>

	Group	
	2023	2022
	£	£
NON-CURRENT		
Fees payable to the Asset Manager	-	16,108
Other	936	1,219
	<u>936</u>	<u>17,327</u>

13 INITIAL COMMITTED ADVANCES (ICAs) (CONSOLIDATED)

	2023	2022
	£	£
Opening at 1 April	51,358	50,041
Interest	1,351	1,317
Balance at 31 March	<u>52,709</u>	<u>51,358</u>

Each year until maturity, the ICAs' revalued liability will be increased so at their maturity in December 2027 the value held in the balance sheet will have accreted to their face value amount payable of £74.5 million (0.08% being £59,638). Should the ICAs be redeemed prior to December 2027, the amount payable will be £74.5 million (0.08% being £59,638) irrespective of the date of repayment.

14 OTHER FINANCIAL ASSETS AND LIABILITIES

	Group	
	2023	2022
	£	£
Other financial assets:		
Interest rate cap	<u>26,237</u>	<u>2,202</u>
Other financial liabilities:		
CURRENT		
Bank debt	48,141	274,336
Less: unamortised loan arrangement fees	(46)	(478)
Fair value of derivatives	-	(480)
	<u>48,095</u>	<u>273,378</u>

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

NON-CURRENT		
Bank debt	1,185,742	753,118
Less: unamortised loan arrangement fees	(10,377)	(5,098)
Fair value of derivatives	-	(482)
	<u>1,175,365</u>	<u>747,538</u>

The bank debt and other financial liabilities are all secured over investment property and inventory with a carrying amount of £3,320 million (0.08% being £2.656 million) (2022: £3,246 million (0.08% being £2.597 million)).

15 PAYMENTS ON ACCOUNT

	Group	
	2023	2022
	£	£
Deposits received from purchasers of apartments	26,603	12,912
Rental deposits held	4,966	5,521
	<u>31,569</u>	<u>18,433</u>

16 CAPITAL AND RESERVES

	Group				
	Called up share capital £	Profit and loss account £	Hedging reserve £	Minority interest £	Total £
At 1 April 2022	2,011	1,600,194	961	(901)	1,602,265
Retained profit for the financial year	-	(63,299)	-	-	(63,299)
Minority interest	-	159	-	(159)	-
Movement in hedging reserve	-	-	(961)	-	(961)
At 31 March 2023	<u>2,011</u>	<u>1,537,054</u>	<u>-</u>	<u>(1,060)</u>	<u>1,538,005</u>

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
as at 31 March 2023

	Company				
	Called up share capital £	Profit and loss account £	Hedging reserve £	Minority interest £	Total £
At 1 April 2022	2,011	-	-	-	2,011
Retained profit for the financial year	-	-	-	-	-
At 31 March 2023	2,011	-	-	-	2,011

17 FINANCIAL INSTRUMENTS**(a) Fair values**

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

The fair value of cash and cash equivalents is estimated at its carrying amount where the cash is repayable on demand. Where cash is not repayable on demand, then the fair value is estimated at the fair present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

The fair value of trade and other payables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Fair value of interest-bearing loans which after initial recognition is determined for disclosure purposes only, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

(b) Financial risk management

There are no allowances for bad or doubtful debts within trade receivables and all material amounts have been collected since 31 March 2023.

Credit risk is the risk of financial loss if a customer, or counterparty, to a financial instrument fails to meet its contractual obligations, and arises principally from receivables from third parties.

The carrying amount of trade receivables and cash held at banks represent the maximum credit exposure. Accordingly, the maximum exposure to credit risk at 31 March 2023 for KCCLP was £380.6 million (0.08% being £304,500) (2022: £313.6 million (0.08% being £250,900)). KCCLP's consolidated cash balance of £161.3 million (0.08% being £129,000) (2022: £155.2 million (0.08% being £124,200)) is deposited with UK clearing banks, all with credit ratings from Moody's of BAA2 or above.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due, other than credit provided by suppliers, all of which were payable (and were paid) within six weeks of the period end. The Asset Manager (note 14) reports regularly to the Board on the forecast expenditure and regularly provides detailed cash flow projections to the Board to ensure that the Group does not commit itself to expenditure in excess of its available facilities.

(c) Interest risk

The Group has interest rate swaps and caps to fix/limit the cost of the projected borrowing on the secured term loans (note 11). A hedging reserve has been included.

King's Cross Central General Partner Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) as at 31 March 2023

(d) *Capital management*

The Group uses a mixture of capital and available banking facilities (see note 11) to meet its expenditure requirements.

(e) *Sensitivity analysis*

For the year ended 31 March 2023, a change in market interest rates would not have materially affected the Group's result because substantially all of the Group borrowings are subject to interest rate hedging.

18 RELATED PARTIES

The Asset Manager is a wholly owned subsidiary of Argent King's Cross GP LLP ("AKXGP LLP") (formerly Argent King's Cross GP Limited), the general partner of the Argent King's Cross Limited Partnership ("AKXLP"), one of the Unitholders in King's Cross Central Property Trust, and in which the BT Pension Scheme was the majority investor. The fees set out below have been either paid or are owed to the Asset Manager, under the Asset Management Agreement dated 26 February 2021, between the Partnership's general partner, the Asset Manager and others. See note 12 for the amounts outstanding at the year end.

During the year, the Partnership paid £38,296 (2022: £26,080) in fees to the Asset Manager in relation to Development and Asset Management Fees, Performance Fees, and the Interest on Performance Fees. At the year end, the Partnership owed £9 (2022: £28,888). This balance is included in trade and other payables (note 12).

In April 2021, Partnership granted a long-term lease of the Triangle plot at the north of the King's Cross Estate to AR Triangle Property LP, a related party by virtue of shared key management personnel. The minimum payment the Partnership will receive for this disposal is £12,000. At the 31 March 2023 year end, the Partnership has recognised the present value of this consideration at £8,920 in accrued income (see note 11).

19 OWNERSHIP

AustralianSuper PTY Limited holds 71.5% (2022: 70.0%) of the issued share capital of the Company, Britel Fund Trustees Limited holds 23.6% (2022: 23.6%), Argent King's Cross Limited Partnership holds 4.8% (2022: 6.3%) and the Chairman holds 0.1% (2022: 0.1%).

20 SUBSEQUENT EVENTS

There have been no events or conditions since the year end date that indicate any adjustment would be required to the financial statements.

King's Cross

Central Limited Partnership

GENERAL PARTNER'S REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

SATURDAY

A05

18/11/2023
COMPANIES HOUSE

#17

Registered in England No LP012617

King's Cross

Central Limited Partnership

CONTENTS

	Page
Strategic Report	1
General Partner's Report	6
Statement of General Partner's Responsibilities in respect of the General Partner's Report and the Financial Statements	7
Independent Auditor's Report to the Partners of King's Cross Central Limited Partnership	8
Consolidated Statement of Comprehensive Income	12
Consolidated Statement of Financial Position	13
<i>Partnership Statement of Financial Position</i>	14
Consolidated Statement of Changes in Partners' Accounts	15
<i>Partnership statement of Changes in Partners' Accounts</i>	15
Consolidated Statement of Cash Flows	16
<i>Partnership Statement of Cash Flows</i>	17
Notes to the Consolidated Financial Statements	18

King's Cross

Central Limited Partnership

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND OBJECTIVES

King's Cross Central Limited Partnership ("KCCLP") ("the Partnership") is a Limited Partnership established on 29 November 2007 and registered in England under the Limited Partnership Act 1907. The principal activity of the Partnership and its subsidiaries (the "Group") is the investment in and development of the King's Cross mixed-use scheme between and to the north of St Pancras International and King's Cross Stations. The Group's objective is to provide a long-term investment return to its Limited Partner by regenerating its land holdings and so attract a rich variety of residents, whilst producing an environment where people aspire to work, live and spend their time.

BUSINESS REVIEW

KCCLP is a specialist investor in the King's Cross/London's NIC postcode that delivers high quality real estate accommodation and associated real estate services to its customers. The partnership capitalises on the critical mass of real estate that it owns in the locality, uses its specialist expertise to deliver high quality destinations, provides what customers want and subsequently seeks to drive relative financial outperformance.

King's Cross is now firmly established as one of the most distinctive and lively places to live, work or visit in London; as the final buildings in the masterplan are completed and the estate matures, it is our ambition that King's Cross continues to be a global exemplar of successful city regeneration. Due to complete in 2025, the 67-acre estate has a distinctive sense of place and community, and blends commercial, retail, restaurants, bars and cafes, residential, community, education and leisure accommodation all alongside one another.

During the year strong progress was made on site across the four remaining material development plots, with building S3 reaching practical completion (PC) post year end in May 2023, the last remaining residential plots, Cadence and Capella, due to PC in Q4 2023 and Q1 2024 respectively and building R8 due to complete in FY25. Planning for building F1, the last remaining plot on the main estate has now been submitted, and the partnership continues to work on the scheme for the adjacent St Pancras Hospital (SPH) site alongside our partners for that development, Camden & Islington NHS Foundation Trust. SPH has its own history and a different surrounding community, so the partnership has a responsibility to allow it to maintain and forge its own identity. Placemaking and management strategies of SPH will therefore need to be considered on a micro local scale but also look for opportunity to integrate, leverage and maximise the benefit from the King's Cross Estate. Submission of a planning application for the SPH scheme will take place during FY24.

The King's Cross Estate was declared Carbon Neutral in 2021. Energy supplies, both gas and electricity, continue to be from 100% renewable sources and we are on a pathway to become net zero.

The financial year ending 31 March 2023 was a year in which the macro dominated the micro, with a significant rise in borrowing costs causing a freeze in investment markets and yields to rise. KCCLP was not immune to this, with commercial yields across the Estate expanding by c30bps between September 2022 and March 2023, ultimately leading to a statutory loss for the year of £76.7m (2022: £243.9m profit), with the partnership profitable before revaluation in the year. Over the year ending March 2023 the external valuation increased in absolute terms by 3.6%, driven by capex across the development plots. The blended Estate equivalent yield was 4.60% at the year-end (2022: 4.28%). The valuation was supported by average ERV growth of 2.2%, which combined with the release of developers profit across the remaining development plots on site and the continued rent free burn off at plots which completed in 2020 and 2021, mitigated much of the impact of the c 30bps outward yield shift noted above.

Accounting rent has increased by 3.5% to £121m, and contracted rents across the portfolio stand in excess of £150m. A weighted average lease expiry of 10.6 years (2022: 11.4 years) continues to provide the partnership with certainty over revenues in the coming years. The strength of tenant covenants right across the Estate has led to average rent collections of over 97% across all sectors.

There have been further strong residential sales recognised in the year in addition to very buoyant pre-sales on residential buildings under construction. As such the partnership has good visibility over contracted residential proceeds and associated profits due to be realised in the second half of 2023 and into 2024.

In August 2022, the Group successfully completed a new, single loan facility of £1.06bn which is secured by a number of investments assets on the King's Cross estate. The initial loan term is 2 years (extendable up to 5 years at the borrower's option only) with a capped all-in interest rate of 4.1% up to April 2024 and 5.85% from April to October 2024, and is secured on attractive terms, thereby providing financing certainty and consolidating a number of existing loans. The facility is fully hedged for the initial loan term, with interest rate caps put in place on both the new and existing facilities during the year, becoming effective in light of subsequent rates rises. The structure

King's Cross

Central Limited Partnership

STRATEGIC REPORT

and flexibility of the new loan underline the strength of the Estate as a sustainable investment and the quality of its ownership and management.

This transaction has streamlined the Group's financial arrangements and eliminated all financing expiries on commercial assets in 2022 and 2023, with no commercial facility expiries across the whole debt portfolio now until July 2026.

There are good levels of covenant headroom maintained across all debt facilities and net LTV stands at 40% (March 2022: 34%). The residential facilities expiring in 2023 and 2024 are fully covered by pre-sold apartments and will be paid down immediately from first proceeds received.

RISKS AND UNCERTAINTIES

The Partnership and the King's Cross scheme are subject to the inherent risks which face all major regeneration projects, which are built out through one or more market cycles. Specific risks include office yields and rents, construction inflation, the planning regime, occupier demand, availability of debt funding, interest and currency fluctuations and the value of residential property in central London.

The general risk environment in which the Partnership operates remained heightened over the course of the financial year due to geopolitical and macroeconomic uncertainty. These circumstances have resulted in an often-changing near-term operating environment.

FY23 saw challenging UK economic conditions and uncertainties, including the ongoing cost of living crisis and war in Ukraine. The "mini-budget" in September 2022 caused significant market uncertainty, resulting in a fall in the pound and an increase to both UK government borrowings and interest rates. Levels of market uncertainty and volatility have reduced since Q4 2022 but the UK economic environment remains challenging with inflation remaining at a near 40-year high and interest rates at 5% in June 2023.

KEY PERFORMANCE INDICATORS (KPIs) - FINANCIAL

The following KPIs are used by management to monitor the finances of the group:

	Definition and calculation method	2023	2022
Total return	Total return is the percentage increase in the consolidated net asset position of KCCLP	-3.7%	13.3%
Net asset value per unit (properties at valuation)	Net asset value per unit is the consolidated net asset value divided by the number of units held	£12.78	£13.24
Gross valuation (inc. inventory)	Is the total Cushman & Wakefield (C&W) valuation of the Estate. The gross valuation includes assets which are reflected as inventory and carried at cost in the statutory financial statements.	£3,479m	£3,359m
Contracted rent	Contracted rent is the sum of all agreed contracted rent between KCCLP and its tenants	£151.5m	£151.6m
Weighted average lease expiry (incl. AFLs)	Is the average lease term remaining to first break, or expiry, across the portfolio weighted by contracted rental income (including rent-frees).	10.6 years	11.4 years
Net gearing	Is the ratio of principle value of debt drawn at 31 March 2023 to the gross valuation plus cash at the same date.	40.4%	36.7%

King's Cross

Central Limited Partnership

STRATEGIC REPORT

SECTION 172 STATEMENT

The Partnership takes its responsibilities under Section 172 of the Companies Act 2006 seriously and acts in good faith to promote the success of the Partnership for the benefit of Shareholders, whilst having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006. When making decisions, we consider the interests of all our stakeholders, the long-term consequences of these decisions and our own reputation for high standards of business conduct. Examples of how the Board considered s172 matters in decisions this year can be found throughout our strategic report and outlined below:

Requirement	Explanation
a) the likely consequences of any decision in the long-term	The Board and key decision-making committees have taken this duty into consideration when making key strategic decisions during the year. The Board remains mindful that its strategic decisions can have both short- and long-term implications for the Group and its stakeholders and these implications are considered carefully.
b) the interests of the partnership's workforce;	We recognise our people (and the teams we work with) are fundamental to the long-term success of our business. Their health, safety and wellbeing is one of our primary considerations in the way we operate and the support we provide to them.
c) the need to foster the partnership's business relationships with suppliers, customers and others;	The Board has identified the partnership's key stakeholders to be shareholders, customers, suppliers, debt financiers and communities. We continue to engage with all through regular contact and ensuring we understand what is important to them and regularly review the service we provide.
d) the impact of the partnership's operations on the community and the environment;	Sustainability, climate change and other ESG topics have been topics of ongoing interest. We have a strong track record in ESG, further information can be found in the energy and carbon report.
e) the desirability of the partnership maintaining a reputation for high standards of business conduct; and	We operate a robust internal control system with clear leadership supported by a wide training and awareness programme. This system is coupled with a clear corporate culture and set of values. Policies on Standards of Behaviour, Anti-Money Laundering, Anti-Bribery and Whistleblowing are all available.
f) the need to act fairly as between members of the partnership.	The Board is made up from representatives of our shareholders and we are in regular communication.

STREAMLINE ENERGY AND CARBON REPORT

The Partnership complies with the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 and the Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and our approach to reporting is based on the GHG Protocol Corporate Accounting and Reporting Standard in line with the guidance on SECR.

Our reporting period is for the financial year 1st April 2022 to 31st March 2023, reporting all material GHG emissions using "Tonnes of CO2 equivalent" (tCO2e) as the unit of measurement and reports energy use in kWh.

King's Cross Central Limited Partnership

STRATEGIC REPORT

Streamline Energy and Carbon Reporting Disclosure

Global energy Scope 1 and 2 GHG emission data for period:

31/03/2022

31/03/2023

	Tonnes CO ₂ e					
	FY22/23 location- based	FY21/22 location- based	Variance location- based	FY22/23 market- based	FY21/22 market- based	Variance market- based
Emissions from						
Scope 1 (Fuel combustion in buildings)	17,483	18,893	-7%	11,408	5,045	126%
Scope 1 (Fuel combustion in mobile and static plant)	87	87	0%	87	87	0%
Scope 2 (Electricity)	1,949	1,811	8%	428	0	0%
	19,519			11,924		

Company's chosen intensity metric: tCO₂e/SqM

	FY22/23 location- based	FY22/23 market- based	Variance
Emissions reported per Gross Internal Area (SqM)	0.122	0.081	51%

Scope 3 Global GHG emission data for period:

31/03/2022

31/03/2023

Emission from	FY22/23	FY21/22	Variance
Waste	76	55	39%
Tenants energy use	2,782	2,720	2%

Underlying global energy data for period:

31/03/2022

31/03/2023

Energy use (kWh)	FY22/23	FY21/22	Variance
Electricity	10,076,545	8,719,530	16%
Tenant Electricity	14,387,327	13,101,506	10%
Natural Gas	95,778,467	103,260,254	-7%
Mobile and Static Plant Fuel	326,257	326,257	0%
	120,568,596		

Methodology

We have selected to report based on the financial control approach regarding Metropolitan King's Cross Limited based on Metropolitan King's Cross Limited being fully consolidated under the financial accounts of King's Cross Central Limited Partnership (regardless of interest stake in the company) and therefore they are deemed to be financially controlled by the Partnership. Therefore 100% of emissions from energy consumption associated with the energy centre has been accounted for within the report.

Our reporting period is for the financial year 1st April 2022 to 31st March 2023, reporting all material GHG emissions using "Tonnes of CO₂ equivalent" (tCO₂e) as the unit of measurement and reporting energy use in kWh. We have included the energy and emissions for the buildings owned and operated (i.e., those within the financial control boundary). This includes scope 1 natural gas and fuel used by mobile and static plant and scope 2 landlord-obtained electricity consumed in common areas and by tenants on an unmetered basis as well as electricity consumed by KCCGP in its own offices. We have also included scope 3, tenants' electricity and all waste. The 46% increase in scope 3 electricity consumption in FY 2022-23 vs FY2021-22 can be largely attributed to new tenants coming online.

The results are presented as Location based emissions and Market based emissions, where applicable. Location based reflect the average emissions intensity of grid supplies (using grid average emissions factors) and Market based reflects emissions from electricity and gas where companies have opted to procure green energy or invested in renewable generation. Renewable Gas Guarantees of Origin (RGGO) backed gas consumption is assigned DEFRA emissions factors for biogas which include values for N₂O and CH₄ emissions (which are not absorbed during growth). Note that not all FY22-23 gas consumption is RGGO backed. However, KCCLP intends to

King's Cross

Central Limited Partnership

STRATEGIC REPORT

purchase unbundled RGGOs during Q2 2023 to ensure all refrerrable gas consumed by the Estate during this reporting period is RGGO backed.

The methodology used to calculate total energy consumption and carbon emissions has been based on invoice and metered data for the financial years stated. Where data was not available, estimates have been calculated using historical profiles and details kept in the client's evidence pack.

Energy, fuel and waste consumption has been converted to carbon (kgCO₂e) using DEFRA published conversion factors.

New DEFRA conversion tables are issued in June and cover January to December, due to our financial year covering two data sets, to maintain consistency this report has used the annual published factors covering the largest reporting months i.e., Apr-Dec 2022.

Where previously estimated data has now been replaced with actual, there has been a total emission decrease of 145.18 tCO₂e (1%) for FY21/22 in this report compared to the emissions published for FY21/22 last year.

We have selected the most appropriate intensity metric in line with the primary drivers of energy consumption, where possible. For this report we have selected Gross Internal Area (GIA Sqm) as the most appropriate to achieve a benchmark.

Energy efficiency action taken.

- Development of Strategic and asset level Net Zero Carbon Buildings strategies.
- Continued metering upgrade and monthly data analysis.
- Engagement with tenants about out of hours usage
- The Estate has now reverted back to the CIBSE ventilation guidelines from the Government's Covid ventilation guidance. Reducing the heating and cooling demand from using recirculated air and not 100% fresh.

ENVIRONMENT

The Partnership aims to deliver industry leading sustainable performance across environmental, social and governance deliverables for both the Estate and the surrounding areas. The continued improvement in sustainable performance is a critical factor in ensuring long term success for the Estate and its delivery is integrated across all site activities and projects.

To maintain performance and support the delivery of sustainable initiatives, the Kings Cross Estate's team, supported by ISO14001 accreditation, deliver exemplar performance in estate management. King's Cross continues to divert 100% of waste from landfill and maximise recycling rates.

The Estate continues to maintain its Carbon Neutral status whilst implementing a Net Zero Strategy. The combination of 100% renewable energy, efficient buildings and offsetting of both embodied and operational carbon means that our carbon impact is neutral. Our ongoing energy efficiency programme and piloting of new energy management technology, alongside proposed measures to decarbonise the district heat network both play a key role in delivering a net zero future.

By order of the board



SIR DAVID CLEMENTI

Chairman

for and on behalf of King's Cross Central General Partner Limited

11 July 2023

King's Cross

Central Limited Partnership

GENERAL PARTNER'S REPORT

The General Partner, King's Cross Central General Partner Limited ("KCCGP"), presents its report and the audited financial statements of the Group and the Partnership for the year ended 31 March 2023.

RESULTS FOR THE YEAR

The Group generated a consolidated loss of £76.7 million (2022: £243.93 million profit) (page 12). Consolidated gross assets increased to £3.76 million at the year-end (2022: £3.59 million). Consolidated net assets amounted to £2.0 billion (2022: £2.10 billion) (page 13).

GOING CONCERN

The General Partner has considered the cash requirements of the Partnership for at least 12 months from the date of approval of the financial statements. In this forecast the General Partner has taken account of the risks that the Partnership faces (as outlined in the Risks and Uncertainties section above) and modelled a severe but plausible downside scenario – including a reduction in and delay to receipt of residential sales proceeds and no further refinancing surpluses realised, all whilst progressing the remaining development programme in line with original assumptions in respect of the Partnership's cashflows, including impact on loan covenants. The results of this forecast indicate that, in that scenario, the Partnership would continue to be able to meet its obligations as they fall due and that there is sufficient headroom on the financial covenants to withstand significant income and value adjustments. Consequently, the General Partner considers that the Partnership is well placed to manage its business risks successfully despite the current economic climate.

On 18th August 2022, the Group successfully completed a new, single loan facility of c £1bn which is secured by a number of investment assets on the King's Cross estate. The initial loan term is 2 years (extendable up to 5 years at the borrower's option only) with a capped all-in interest rate of 4.1% up to 22 April 2024 and 5.85% from 23 April to 22 October 2024.

The Partnership retains the remaining Initial Committed Advances (ICAs) (not repayable until December 2027) and undrawn bank facilities are available, as described in note 15.

The General Partner therefore considers the Partnership will be able to settle its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and that it is appropriate to prepare these financial statements on a going concern basis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors of the General Partner have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. The directors of the General Partner have also confirmed that they have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that this has been communicated to the auditor.

RE-APPOINTMENT OF THE AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



SIR DAVID CLEMENTI

Chairman

for and on behalf of King's Cross Central General Partner Limited
4 Stable Street, London, N1C 4AB

11 July 2023

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE GENERAL PARTNER'S REPORT AND THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Strategic Report, the General Partner's Report and the group and qualifying partnership financial statements in accordance with applicable law regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare group and qualifying partnership financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law the General Partner has elected to prepare both the group and the qualifying partnership financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law 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 group and the qualifying partnership and of the profit or loss of the group for that period. In preparing each of the group and the qualifying partnership financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- assess the Qualifying Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

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 Partnerships (Accounts) Regulations 2008. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Qualifying Partnership and to prevent and detect fraud and other irregularities.

King's Cross

Central Limited Partnership

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF KING'S CROSS CENTRAL LIMITED PARTNERSHIP

Opinion

We have audited the financial statements of King's Cross Central Limited Partnership ("the Qualifying Partnership") for the year ended 31 March 2023 which comprise the group and the parent partnership's statements of financial position, the group's statement of comprehensive income, the group and the parent partnership's statements of changes in partners' accounts, the group and the parent partnership's statements of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Qualifying Partnership's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Qualifying Partnership in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The General Partner has prepared the financial statements on the going concern basis as they do not intend to liquidate the Qualifying Partnership or to cease its operations, and as they have concluded that the Qualifying Partnership's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the General Partner's conclusions, we considered the inherent risks to the Qualifying Partnership's business model and analysed how those risks might affect the Qualifying Partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the General Partner's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Qualifying Partnership's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Qualifying Partnership will continue in operation.

King's Cross

Central Limited Partnership

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF KING'S CROSS CENTRAL LIMITED PARTNERSHIP

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of General Partner as to the Qualifying Partnership's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading minutes of Partners meetings.
- Using analytical procedures to identify any usual or unexpected relationships.
- Considering performance targets and incentives for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as investment property valuation and the carrying amount of inventory.

We did not identify any additional fraud risks.

On this audit we do not believe there is a fraud risk related to revenue recognition because the Qualifying Partnership's income primarily arises from operating lease contracts with fixed, or highly predictable, periodic payments.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries with specific or no description, those posted by specific users and post-closing journal entries.
- Assessing significant accounting estimates for bias.

Our procedures to detect fraud in the investment property valuations included:

- The use of our specialist valuers to challenge the methods used in the valuation;
- Obtaining both confirmatory and non-confirmatory evidence to assess of the key inputs into the valuations.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the General Partner (as required by auditing standards) and discussed with the General Partner the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Qualifying Partnership is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

King's Cross

Central Limited Partnership

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF KING'S CROSS CENTRAL LIMITED PARTNERSHIP

Secondly, the Qualifying Partnership is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: landlord and tenant legislation property laws and building legislation, recognising the nature of the Qualifying Partnership's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the General Partner and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and general partner's report

The General Partner is responsible for the strategic report and the general partner's report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the strategic report and the general partner's report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in those reports;
- in our opinion the information given in the strategic report and the general partner's report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

King's Cross Central Limited Partnership

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF KING'S CROSS CENTRAL LIMITED PARTNERSHIP

General Partner's responsibilities

As explained more fully in the their statement set out on page 8, the General Partner is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Qualifying Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by regulation 4 of the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Qualifying Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Qualifying Partnership and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Kelly (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
15 Canada Square
London
E14 5GL

11 July.....2023

King's Cross

Central Limited Partnership

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2023

	Note	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Rental income		120,884	116,777
Property overheads		(5,623)	(3,667)
Revenue from trading property		7,130	27,781
Other revenue		51,898	42,461
Cost of sales		(66,337)	(66,490)
GROSS PROFIT		107,952	116,862
Administrative expenses	2	(18,389)	(17,570)
Other income		1,079	1,043
OPERATING PROFIT		90,642	100,335
Revaluation of investment properties	5&6	(112,474)	176,041
Profit on disposal of investment properties		-	5,973
Fair value movement of financial instruments		4,223	2,637
Finance income		1,925	149
Finance costs	4	(61,031)	(41,209)
(LOSS)/PROFIT FOR THE YEAR		(76,715)	243,926
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss</i>			
Changes in fair value of cash flow hedges	17	(1,202)	2,651
TOTAL COMPREHENSIVE (LOSS)/INCOME		(77,917)	246,577
<i>(Loss)/Profit attributable to:</i>			
Partners of the Partnership	17	(76,514)	243,966
Minority interests		(201)	(40)
Total (loss)/profit for the year		(76,715)	243,926
<i>Total comprehensive (loss)/income attributable to:</i>			
Partners of the Partnership		(77,716)	246,617
Minority interests		(201)	(40)
Total comprehensive (loss)/income		(77,917)	246,577

The notes set out on pages 18 to 36 form part of these financial statements.

King's Cross Central Limited Partnership

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2023

	Note	31 March 2023		31 March 2022	
		£000	£000	£000	£000
NON-CURRENT ASSETS					
Investment property	5	2,743,564		2,893,038	
Investment property in the course of development	6	359,621		213,397	
			3,103,185		3,106,435
Fixed assets	7		6,034		5,421
Investments	8		606		210
Other financial assets	15		32,796		2,753
Receivables due in more than one year	10		16,150		15,607
			3,158,771		3,130,426
CURRENT ASSETS					
Inventory	11	216,652		139,864	
Trade & other receivables	12	219,295		161,594	
Cash at bank		161,305		155,207	
			597,252		456,665
TOTAL ASSETS			3,756,023		3,587,091
CURRENT LIABILITIES					
Trade and other payables	13	101,773		105,720	
Other financial liabilities	15	60,118		341,723	
Payments on account	16	39,461		23,042	
			201,352		470,485
NON-CURRENT LIABILITIES					
Trade and other payables	13	1,170		21,659	
Initial Committed Advances (ICAs)	14	65,887		64,198	
Other financial liabilities	15	1,469,206		934,423	
			1,536,263		1,020,280
TOTAL LIABILITIES			1,737,615		1,490,765
NET ASSETS			2,018,408		2,096,326
PARTNERS' ACCOUNTS					
Capital accounts	17	10		10	
Limited Partners' Contribution		267,015		267,015	
Current accounts		1,752,712		1,829,226	
Hedging reserve	17	-		1,202	
PARTNERS' FUNDS			2,019,737		2,097,453
Minority interest			(1,329)		(1,127)
			2,018,408		2,096,326

The notes set out on pages 18 to 36 form part of these financial statements.

These financial statements on pages 12 to 36 were approved and authorised for issue by the General Partner on 11 July 2023.



SIR DAVID CLEMENTI

Chairman, for and on behalf of King's Cross Central General Partner Limited, Registered in England No. 06387691

King's Cross

Central Limited Partnership

PARTNERSHIP STATEMENT OF FINANCIAL POSITION as at 31 March 2023

	Note	31 March 2023 £000	£000	31 March 2022 £000	£000
NON-CURRENT ASSETS					
Investment property	5	1,083,474		1,124,409	
Investment property in the course of development	6	10,371		8,700	
			1,093,845		1,133,109
Fixed assets	7		2,814		1,830
Investments	8		606		210
Investment in subsidiaries	9		876,853		833,856
Receivables due in more than one year	10		16,150		15,607
Other financial assets	15		12,578		6
			2,002,846		1,984,618
CURRENT ASSETS					
Inventory	11	28,772		32,032	
Trade & other receivables	12	67,304		63,384	
Cash at bank		100,994		108,298	
			197,070		203,714
TOTAL ASSETS			2,199,916		2,188,332
CURRENT LIABILITIES					
Trade and other payables	13	113,584		79,992	
Other financial liabilities	15	-		189,590	
Payments on account	16	5,924		5,716	
			119,508		275,298
NON-CURRENT LIABILITIES					
Trade and other payables	13	918		21,531	
Initial Committed Advances (ICAs)	14	65,887		64,198	
Other financial liabilities	15	494,629		269,220	
			561,434		354,949
TOTAL LIABILITIES			680,942		630,247
NET ASSETS			1,518,974		1,558,085
PARTNERS' ACCOUNTS					
Capital accounts	17	10		10	
Limited Partners' Contribution		267,015		267,015	
Current accounts		1,251,949		1,290,464	
Hedging reserve	17	-		596	
PARTNERS' FUNDS			1,518,974		1,558,085

The notes set out on pages 18 to 36 form part of these financial statements.

King's Cross

Central Limited Partnership

CONSOLIDATED STATEMENT OF CHANGES IN PARTNERS' ACCOUNTS as at 31 March 2023

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Partners' Accounts at the beginning of the year	2,097,453	1,850,836
Net profit attributable to Partners during the year	(76,514)	243,966
Change in fair value of hedging instruments	(1,203)	2,651
Partners' Accounts at the end of the year	<u>2,019,736</u>	<u>2,097,453</u>
Minority interests	(1,328)	(1,127)
	<u>2,018,408</u>	<u>2,096,326</u>

The notes set out on pages 18 to 36 form part of these financial statements.

PARTNERSHIP STATEMENT OF CHANGES IN PARTNERS' ACCOUNTS for the year ended 31 March 2023

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Partners' Accounts at the beginning of the year	1,558,085	1,491,094
Net profit attributable to Partners during the year	(38,515)	64,946
Change in fair value of hedging instruments	(596)	2,045
Partners' Accounts at the end of the year	<u>1,518,974</u>	<u>1,558,085</u>

The notes set out on pages 18 to 36 form part of these financial statements.

King's Cross

Central Limited Partnership

CONSOLIDATED STATEMENT OF CASH FLOWS as at 31 March 2023

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/profit for the year	(76,715)	243,926
Adjustments for:		
Finance income	(1,924)	(149)
Finance costs	61,031	41,209
Amortisation of arrangement fees and costs	(6,948)	3,166
Depreciation	402	404
Revaluation of investment properties	112,474	(176,041)
Repayment of MKC loan	(19,261)	-
Fair value movement of financial instruments	(30,640)	(2,637)
Profit from disposal of investment properties	-	(5,973)
Increase in inventory	(76,788)	(45,511)
Increase in trade and other receivables	(58,241)	(33,142)
Increase/(decrease) in trade and other payables	(2,283)	8,098
Increase/(Decrease) in payments on account and deferred income	(4,048)	17,151
Decrease in provision	-	(7,990)
	<u>(26,226)</u>	<u>(201,415)</u>
CASH GENERATED/USED IN OPERATING ACTIVITIES	<u>(102,941)</u>	<u>42,511</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on investment property	(109,224)	(108,001)
Purchase of fixed assets	(1,016)	(1,897)
Purchase of unlisted investments	(396)	(210)
Proceeds from disposal of investment property	-	3,473
Interest received	1,925	149
	<u>(108,712)</u>	<u>(106,486)</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(108,712)</u>	<u>(106,486)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdowns of loan	1,159,263	90,585
Loan repayment	(880,480)	(10,000)
Finance costs	(61,031)	(45,052)
	<u>217,752</u>	<u>35,533</u>
NET CASH INFLOW FROM FINANCING ACTIVITIES	<u>217,752</u>	<u>35,533</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>6,098</u>	<u>(28,442)</u>
Cash and cash equivalents at beginning of the year	155,207	183,649
Cash and cash equivalents at the end of the year	<u>161,305</u>	<u>155,207</u>

The notes set out on pages 18 to 36 form part of these financial statements.

King's Cross

Central Limited Partnership

PARTNERSHIP STATEMENT OF CASH FLOWS for the year ended 31 March 2023

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/profit for the year	(38,515)	64,946
Adjustments for:		
Finance income	(2,962)	(1,569)
Finance costs	22,728	18,613
Amortisation of arrangement fees and costs	(3,843)	811
Revaluation of investment properties	43,909	(29,119)
Profit from disposal of investment properties	-	(5,973)
Fair value movement of financial instruments	(13,167)	(9)
Impairment of inter entity receivable	-	14,928
Decrease in inventory	3,260	11,726
Decrease in trade and other receivables	16,131	174
Increase in trade and other payables	30,611	2,377
Decrease in payments on account and deferred income	(36,329)	(8,956)
Decrease in provision	-	(7,990)
	<u>60,338</u>	<u>(4,987)</u>
CASH GENERATED IN OPERATING ACTIVITIES	<u>21,823</u>	<u>59,959</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on investment property	(4,646)	(21,504)
Additional investments	(42,997)	(65,348)
Purchase of fixed assets	(984)	(1,830)
Purchase of unlisted investments	(396)	(210)
Proceeds from disposal of investment property	-	3,473
Interest received	2,962	1,569
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(46,061)</u>	<u>(83,850)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdowns of loan	502,486	14,658
Loan repayment	(462,824)	(10,000)
Finance costs	(22,728)	(18,936)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	<u>16,934</u>	<u>(14,278)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<u>(7,304)</u>	<u>(38,169)</u>
Cash and cash equivalents at beginning of the year	108,298	146,467
Cash and cash equivalents at the end of the year	<u>100,994</u>	<u>108,298</u>

The notes set out on pages 18 to 36 form part of these financial statements.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

I SIGNIFICANT ACCOUNTING POLICIES

Partnership information

The Partnership is a limited partnership registered in England and Wales under the Limited Partnership Act 1907. The registered office is 4 Stable Street, London, NIC 4AB.

(a) *Basis of consolidation*

King's Cross Central Limited Partnership is domiciled in the United Kingdom. The consolidated financial statements of the Group comprise the Partnership and its subsidiaries, KC (B2&B4) Limited Partnership ("B2B4"), Metropolitan King's Cross Limited ("MKC"), King's Cross Estate Services Limited ("KCES"), KC Green Limited Partnership ("KC Green"), KC 3&4 PS Limited Partnership ("3/4 PS LP"), KC (SPH) Limited Partnership ("KC (SPH) LP"), KC Cadence Limited Partnership ("Cadence"), KC R8 Limited Partnership ("R8 LP"), KC S3 Limited Partnership ("S3 LP") and KC S4 Limited Partnership ("S4 LP") together the "Group".

B2B4 and KCES are owned 100% by the Partnership. KC Green, 3/4 PS LP, Cadence, KC (SPH) LP, R8 LP, S3 LP and S4 LP are all 99.99% owned by the Partnership, via the General Partner and MKC is 90% owned, via the General Partner. All subsidiaries are domiciled in the United Kingdom.

The above subsidiaries are considered to be controlled by the Partnership. Control exists when the General Partner has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Partnership takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The accounts of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(b) *Statement of Compliance and accounting convention*

These consolidated financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"). The Financial Reporting Standard applicable in the UK and Republic of Ireland. On publishing the Partnership financial statements here together with the Group financial statements, the Partnership is taking advantage of the exemption in S408 of the Companies Act 2006 not to present its individual income statement.

(c) *Basis of preparation*

The financial statements are presented in £ sterling, rounded to the nearest thousand, on the historical cost basis, other than the revaluation of investment properties and certain financial instruments.

The accounting policies have been consistently applied to the results, assets, liabilities and cash flows of the Partnership and Group.

(d) *Judgements and sources of estimation and uncertainty*

The preparation of financial statements requires the General Partner to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and 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 estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. The areas where assumptions and estimates are significant are:

Investment properties

Valuation of investment properties are classified as fair value through profit or loss. The Partnership uses external professional valuers Cushman and Wakefield to determine the relevant amounts. The primary source of evidence for property valuations should be recent, comparable market transactions on an arms-length basis. However, the

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

valuation of the Partnerships property portfolio classified as fair value through profit or loss are inherently subjective, as they are based upon valuer assumptions.

Impairment of inventory

Inventory is held at the lower of costs and Net Realisable Value (NRV). At the end of each reporting year the partnership will perform an impairment review. Judgement is required regarding the recoverability of the inventory. Factors taken into consideration in reaching such a decision include – costs to come, post year end disposals and expected sales anticipated to be achieved from the asset.

(e) *Going concern*

As outlined in the General Partner's report, the General Partner has considered the cash requirements of the Partnership for at least 12 months from the date of approval of the financial statements. In this forecast the General Partner has taken account of the risks that the Partnership faces (as outlined in the Risks and Uncertainties section above) and modelled a severe but plausible downside scenario – including a reduction in and delay to receipt of residential sales proceeds and no further refinancing surpluses realised, all whilst progressing the remaining development programme in line with original assumptions in respect of the Partnership's cashflows, including impact on loan covenants. The results of this forecast indicate that, in that scenario, the Partnership would continue to be able to meet its obligations as they fall due and that there is sufficient headroom on the financial covenants to withstand significant income and value adjustments. Consequently, the General Partner considers that the Partnership is well placed to manage its business risks successfully despite the current economic climate.

On 18th August 2022, the Group successfully completed a new, single loan facility of c £1bn which is secured by a number of investment assets on the King's Cross estate. The initial loan term is 2 years (extendable up to 5 years at the borrower's option only) with a capped all-in interest rate of 4.1% up to 22 April 2024. This refinancing has consolidated existing loans and eliminated all existing 2022 and 2023 financing expiries on commercial assets.

The Partnership retains the remaining Initial Committed Advances (ICAs) (not repayable until December 2027) and undrawn bank facilities are available, as described in note 15.

The General Partner therefore considers the Partnership will be able to settle its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and that it is appropriate to prepare these financial statements on a going concern basis.

(f) *Investment property in the course of development*

Property that is being constructed or developed for future use as investment property is classified as investment property in the course of development. The Partnership adopts the valuation model under FRS102.

All costs directly associated with the purchase and all subsequent capital expenditure on the development are capitalised.

When it is determined that a plot will be developed and then sold, the land concerned and associated costs are transferred to inventory at fair value at the date of transfer. This is deemed to be the earlier of a meaningful commencement of building works or a binding sale agreement.

A disposal of investment property is recognised when the Partnership has transferred the significant risks and rewards of ownership to the buyer and it no longer retains control or has managerial involvement in the investment property. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit and loss.

Refer to note 6 for details of measurement of fair value.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value, under FRS102.

An external independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio each quarter. Any gain or loss arising from a change in fair value is recognised in profit or loss.

The fair value of investment property excludes accrued operating lease income arising from the smoothing of rental income over the lease term because the Partnership recognises this as a separate asset.

(g) *Tangible assets*

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Fixtures and fittings are stated at cost less accumulated depreciation. Depreciation is charged to profit and loss on a straight-line basis over the estimated useful lives of the assets concerned, which is considered to be three years for all of the Partnership's fixtures and fittings capitalised to date.

Fixed assets are depreciated over the projected period of their useful lives. The period over which the long-life plant and machinery is depreciated is between 10-20 years, whilst shorter-term assets are depreciated over three years.

Land is not depreciated.

(h) *Investments*

Interests in subsidiaries and unlisted investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses within the Partnership's financial statements. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

(i) *Inventory*

Inventory is shown at the lower of cost and net realisable value. Costs include interest and other finance costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and those necessary to make the sale.

(j) *Development costs*

Development costs incurred before land is acquired and projects commence are capitalised if it is sufficiently probable that the project will go ahead. They are initially recognised at cost and then allocated to the project as inventory or investment property on its commencement. The costs are written off if the project is no longer sufficiently probable to proceed or is cancelled.

(k) *Other receivables*

Trade and other receivables are initially recognised at fair value and then subsequently at amortised cost less impairment losses (see accounting policy l(m)).

(l) *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

(m) *Impairment*

Carrying amounts of the Partnership's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

The recoverable amount of the Partnership's receivables is calculated at the present value of expected future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. An impairment loss in respect of a receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Partners' accounts*

The Partners' capital accounts, partners' contributions, current accounts and the hedging reserve are classified as equity in the Consolidated Statement of Financial Position.

(o) *Trade and other payables*

Trade and other payables are initially recognised at fair value and then subsequently at amortised cost.

Performance Fees, Development Management fees and Asset Management fees are payable to Argent (King's Cross) Limited (the "Asset Manager"), based on return on capital and the attainment of specific events respectively are accrued for when the fees are earned.

(p) *Interest-bearing borrowings, derivative financial instruments and cash flow hedges*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Derivative financial instruments are recognised at fair value immediately in profit or loss. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the income statement.

When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately. Hedges are included at valuations obtained from the counterparty of the hedge.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

(q) *Revenue*

Rent from investment properties leased under operating leases is recognised in profit and loss on a straight-line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income.

Revenue (net of VAT) from the sale of properties from inventory is recognised in profit and loss when the significant risks and rewards of ownership have transferred to the buyer. Revenue for services rendered (such as construction services and project management fees) is recognised in profit and loss in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No income is recognised if there are significant uncertainties regarding recovery of the consideration due or the associated costs.

Other revenue includes amounts receivable from the tenants of the Kings Cross Estate for the maintenance, administration and servicing of the Estate. Turnover is recognised to the extent that recoverable expenses have been occurred. Other revenue also includes the sale of heating and cooling products to consumers on the Estate as well as exported electricity, which is recognised as revenue when control of these services is transferred to the consumer.

(r) *Expenses*

Property operating expenses and service costs for service contracts including Performance Fees (see note 1(o)) are expensed as incurred.

(s) *Finance costs*

All finance costs incurred in relation to investment properties and investment properties in the course of construction are expensed in the profit and loss. Finance costs incurred in relation to properties held for resale are capitalised as part of the cost of inventory (see note 1(j)).

(t) *Taxation*

No provision is made in the financial statements for the liabilities of the partners for income or capital gains taxes since such liabilities are the responsibility of each partner.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

2	ADMINISTRATIVE EXPENSES	2023 £000	2022 £000
	Operating profit is stated after charging:		
	Depreciation	402	404
	Auditor's remuneration – audit	223	174
	– other assurance related services	12	11

3 STAFF NUMBERS AND COSTS
During the year ended 31 March 2023, the Partnership had an average of 13 direct employees (2022: 15)

	2023 £000	2022 £000
Chairman's fees	140	139
Other payroll costs, including National Insurance	158	221
	<u>298</u>	<u>360</u>

4	FINANCE COSTS	2023 £000	2022 £000
	Interest costs	48,678	38,216
	Amortisation of bank arrangement fees	4,285	2,993
	Other finance costs	8,068	-
		<u>61,031</u>	<u>41,209</u>

5	INVESTMENT PROPERTY	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	At beginning of the year	2,893,038	2,524,406	1,124,409	1,129,486
	Additions	7,366	22,702	4,534	9,551
	Transfer from investment property in the course of development (note 6)	-	245,250	-	(49,150)
	Revaluation	(156,840)	100,680	(45,469)	34,522
	At end of the year	<u>2,743,564</u>	<u>2,893,038</u>	<u>1,083,474</u>	<u>1,124,409</u>

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

6	INVESTMENT PROPERTY IN THE COURSE OF DEVELOPMENT	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	At beginning of the year	213,397	327,480	8,700	71,900
	Additions	101,858	85,299	111	11,953
	Disposals	-	(12,500)	-	(12,500)
	Transfer to inventory (note 11)	-	(16,993)	-	-
	Transfer to investment properties (note 5)	-	(245,250)	-	49,150
	Transfer to other entities	-	-	-	(106,400)
	Revaluation	44,366	75,361	1,560	(5,403)
	At end of the year	359,621	213,397	10,371	8,700

The additions during the year represent payments to contractors for construction work undertaken to date and fees paid to both third-party consultants and the Asset Manager (see note 21).

MEASUREMENT OF FAIR VALUE

Fair value hierarchy

The fair value of investment property was determined by an external, independent property valuer, Cushman and Wakefield, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provides the fair value of the Partnership's investment property portfolio every three months.

The fair value measurement for investment property and investment property in the course of development of £3,103 million (2022: £3,106 million) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

	Investment property £000	Investment property in the course of development £000
Balance at 31 March 2022	2,893,038	213,397
Other movements – additions and transfers	7,366	(21,368)
Changes in fair value (unrealised)	(156,840)	167,592
Balance at 31 March 2023	2,743,564	359,621

Valuation technique and significant observable inputs:

The following table shows the valuation technique used in measuring the fair value of investment property and investment property in the course of development, as well as the significant observable inputs used.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

6 INVESTMENT PROPERTY IN THE COURSE OF DEVELOPMENT (continued)

<i>Property type:</i>	<i>Valuation technique:</i>	<i>Significant observable inputs</i>	<i>Inter-relationship between observable inputs and fair value measurement:</i>
Completed properties held for investment	Income capitalisation	Commercial office rent and retail rental value of £20 to £93 psf. Equivalent yields of 3.75% to 5%.	The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> expected market rental growth is higher/(lower) yields are lower/(higher).
Investment property (including land) in the course of development	Residual land valuation	Estimated rental values of £20 to £93 psf. Equivalent yields of 3.75% to 5%.	The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> expected market rental growth is higher/(lower) yields are lower/(higher)

Sensitivity analysis – Investment property

The below sensitivity analysis is based on the completed properties held for investment as at 31 March 2023 of £2,970,565,000. The valuation used within the sensitivity analysis is different to investment property due to the lease incentive adjustment.

	Decrease		Increase	
	Change	£000	Change	£000
Office ERV	- 5%	(100,920)	+ 5%	129,685
Yield on office space	+ 0.25%	(161,225)	- 0.25%	180,560

Sensitivity analysis – Investment property in the course of development

The below sensitivity analysis is based on Investment property still in the course of development (including associated land) at the valuation at 31 March 2023 of £616,464,000.

	Change	£000	Change	£000
Office ERV	- 5%	(30,838)	+ 5%	30,807
Yield on office space	-0.25%	(33,322)	+ 0.25%	37,333

7 FIXED ASSETS

	Consolidated		Partnership	
	2023	2022	2023	2022
	£000	£000	£000	£000
COST				
At beginning of the year	12,902	11,005	5,788	3,958
Additions	1,016	1,897	984	1,830
Transfer to subsidiary	-	-	-	-
Disposals	-	-	-	-
At end of the year	13,918	12,902	6,772	5,788
DEPRECIATION				
At beginning of the year	(7,481)	(7,077)	(3,958)	(3,958)
During the year	(403)	(404)	-	-
Disposals	-	-	-	-
At end of the year	(7,884)	(7,481)	(3,958)	(3,958)
Net book value at 31 March	6,034	5,421	2,814	1,830

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

8	INVESTMENT	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	Unlisted equity investment	606	210	606	210

Movement in investment:

	Consolidated	Partnership
	£000	£000
COST		
At 1 April 2022	210	210
Additions	396	396
At 31 March 2023	606	606
IMPAIRMENT		
At 1 April 2022	-	-
Impairment losses	-	-
At 31 March 2023	-	-
Net book value at 31 March 2023	606	606
Net book value at 31 March 2022	210	210

9	INVESTMENT IN SUBSIDIARIES	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	Investment in Subsidiaries	-	-	876.853	833.856

		Partnership	
Movement in investment in subsidiaries		2023 £000	2022 £000
At beginning of the year		833.856	662.108
Investment in KC Green Limited Partnership		1.179	7.536
Investment in KC (SPH) Limited Partnership		4.173	3.110
Investment in KC Cadence Limited Partnership		(480)	2.967
Investment in KC R8 Limited Partnership		16.959	41.154
Investment in KC S3 Limited Partnership		388	92.822
Investment in KC S4 Limited Partnership		20.778	24.159
At end of the year		876.853	833.856

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

Details of the Group's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Nature of business	2023 % Held	2022 % Held
		Indirect	Indirect
KC Green Limited Partnership	Property development	99.99	99.99
KC (B2&B4) Limited Partnership	Investment property	100.00	100.00
KC 3&4 PS Limited Partnership	Investment property	99.99	99.99
Metropolitan King's Cross Limited	Energy centre	90.00	90.00
King's Cross Estate Services Limited	Estate Management Services	100.00	100.00
KC (SPH) Limited Partnership	Property development	99.99	99.99
KC Cadence Limited Partnership	Property development	99.99	99.99
KC R8 Limited Partnership	Property development	99.99	99.99
KC S3 Limited Partnership	Property development	99.99	99.99
KC S4 Limited Partnership	Property development	99.99	99.99

All subsidiaries are domiciled in England and Wales. All subsidiaries' registered office is 4 Stable Street, London NIC 4AB.

10 RECEIVABLES DUE IN MORE THAN ONE YEAR	Consolidated		Partnership	
	2023 £000	2022 £000	2023 £000	2022 £000
Retentions	5,000	5,000	5,000	5,000
Accrued income	11,150	10,607	11,150	10,607
At end of the year	16,150	15,607	16,150	15,607

On 22 April 2021, KCCLP granted a long-term lease of a plot to a AR Triangle Property LP, a related party. Part of the disposal consideration is deferred until specific contractual conditions are met. Accrued income recognised as at 31 March 2023 is the minimum payment of £15 million, the amount recognised at year end represents the fair value of the transaction and the present value of which is £11.15 million (2022: £10.61 million).

Each year until the final conditions are met, the income will be increased so that at the anticipated repayment date in March 2029, the value held in the balance sheet will have accreted to their face value amount receivable of £15 million. At each reporting period management will reassess the amount receivable.

11 INVENTORY	Consolidated		Partnership	
	2023 £000	2022 £000	2023 £000	2022 £000
At beginning of the year	139,864	77,228	32,032	43,758
Additions	83,766	68,157	7,100	12,552
Finance costs capitalised	3,382	1,765	-	1
Disposals during the year	(10,360)	(24,279)	(10,360)	(24,279)
Transferred from investment property in the course of development (note 6)	-	16,993	-	-
At end of the year	216,652	139,864	28,772	32,032

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

As at 31 March 2023, all inventory was held at historic cost, or deemed cost being the fair value at the date of transfer from investment property, with no provisions. An impairment assessment was carried out. Although the costs are higher than the Fair Value, the Net Realisable Value, which is calculated on an individual unit basis rather than on a plot level, is greater than the historic cost and therefore, no impairment was made in the year. The Fair Value of the inventory, as valued by Cushman and Wakefield, is £212.2 million (2022: £129.6 million).

12	TRADE & OTHER RECEIVABLES	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	Trade receivables	9,132	9,287	5,467	6,297
	Escrow deposits and retentions	37,186	20,253	2,914	4,112
	HMRC – Value Added Tax	720	1,869	(759)	468
	Inter entity receivables	-	-	-	1,688
	Other receivables	-	2,814	601	1,397
	Accrued rental income	163,991	123,418	59,081	49,422
		<u>211,029</u>	<u>157,641</u>	<u>67,304</u>	<u>63,384</u>
	Development costs	8,266	3,953	-	-
		<u>219,295</u>	<u>161,594</u>	<u>67,304</u>	<u>63,384</u>

Development costs are those capitalised in respect of the St Pancras Hospital project.

13	TRADE & OTHER PAYABLES	Consolidated		Partnership	
		2023 £000	2022 £000	2023 £000	2022 £000
	CURRENT				
	Fees payable to the Asset Manager (note 21)	393	15,976	11	15,298
	Inter entity payables	-	-	78,590	31,015
	Other taxation	32	37	32	37
	Other payables and accruals	101,348	89,707	34,951	33,642
		<u>101,773</u>	<u>105,720</u>	<u>113,584</u>	<u>79,992</u>
	NON CURRENT				
	Fees payable to the Asset Manager (note 20)	-	20,136	-	20,136
	Other	1,170	1,523	918	1,395
		<u>1,170</u>	<u>21,659</u>	<u>918</u>	<u>21,531</u>

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

14 INITIAL COMMITTED ADVANCES YEAR ENDED 31 MARCH 2023 (CONSOLIDATED AND PARTNERSHIP)

	Total £000
Opening at 1 April 2021	62,552
Interest	1,646
Balance at 31 March 2022	64,198
Interest	1,689
Balance at 31 March 2023	65,887

Each year until maturity, the ICAs' using the amortised cost method will increase so that at their maturity in December 2027, the value held in the balance sheet will have accreted to their face value amount payable of £74.5 million. Should the ICAs be redeemed prior to December 2027, the amount payable will be £74.5 million irrespective of the date of repayment.

15 OTHER FINANCIAL ASSETS AND LIABILITIES

	Consolidated		Partnership	
	2023 £000	2022 £000	2023 £000	2022 £000
Other financial assets:				
Interest rate cap	32,796	2,753	12,578	6
Other financial liabilities:				
CURRENT				
Bank debt (see table below)	60,176	342,920	-	189,893
Less: unamortised loan arrangement fees	(58)	(598)	-	(309)
Fair value of derivatives	-	(599)	-	6
	60,118	341,723	-	189,590
NON-CURRENT				
Bank debt (see table below)	1,482,177	941,398	499,226	270,000
Less: unamortised loan arrangement fees	(12,971)	(6,373)	(4,597)	(178)
Fair value of derivatives	-	(602)	-	(602)
	1,469,206	934,423	494,629	269,220

Interest rate swaps were disposed of during the period, and are thus not adjusted for in bank debt.

The bank debt and other financial liabilities are all secured over investment property and inventory with a carrying amount of £3,320 million (2022: £3,331 million) with the maturities and the amounts available set out below:

15 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

Consolidated			Carrying amount		Available
Property/Plot secured	All in rate % (max)	Maturity Date	2023 £000	2022 £000	facility 2023 £000
CURRENT					
Plot S5	2.75%	31/10/2023	60,176	27,805	69,000
Energy Centre (MKC)	2.85%	22/11/2022	-	652	-
Plot R7*	1.65%	22/07/2021	-	115,000	-
Plots D1, G1, I1, K3 & L1/2*	3.19%	26/10/2022	-	75,000	-
Plot Q1*	1.85%	26/10/2022	-	19,583	-
Plot S1*	3.40%	08/08/2022	-	95,310	-
1 & 2 PS*	2.06%	09/10/2022	-	152,375	-
TOTAL CURRENT			60,176	342,920	69,000

Consolidated			Carrying amount		Available
Property/Plot secured	All in rate % (max)	Maturity Date	2023 £000	2022 £000	facility 2023 £000
NON CURRENT					
Multi-plot loan facility	4.1%	16/08/2027	1,060,000	-	1,060,000
B5 & B6	2.60%	20/07/2027	284,550	284,550	284,550
Plot R8	5.15%	21/07/2026	30,007	-	126,000
Plot S3	4.95%	20/07/2026	89,222	31,365	118,000
Plot S4	5.50%	12/07/2024	21,189	-	76,500
Energy Centre (MKC)	2.85%	22/11/2022	(2,791)	-	-
Plot R7*	1.65%	29/06/2023	-	115,000	-
Plot S2*	1.50%	28/05/2023	-	125,000	-
Plot T2*	3.50%	29/11/2023	-	199,945	-
Plot P2*	3.5%	29/11/2023	-	127,733	-
Coal Drops Yard M1	3.5%	30/11/2023	-	30,000	-
Plot S5	2.75%	30/06/2023	-	27,805	69,000
TOTAL NON-CURRENT			1,482,177	941,398	1,734,050

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

Partnership only					
Property/Plot secured	All in rate % (max)	Maturity Date	Carrying amount		Available facility
			2023 £000	2022 £000	2023 £000
CURRENT					
Plots D1, G1, I1, K3 & L1/2*	3.19%	26/10/2022	-	75,000	-
Plot Q1*	1.85%	26/10/2022	-	19,583	-
Plot S1*	4.50%	08/08/2022	-	95,310	-
TOTAL CURRENT			-	189,893	-
NON-CURRENT					
Multi-plot loan facility	4.1%	16/08/2024	499,226	-	499,266
Plot R7*	1.65%	29/06/2023	-	115,000	-
Plot S2*	1.50%	28/05/2023	-	125,000	-
Coal Drops Yard M1	2.29%	30/11/2023	-	30,000	-
TOTAL NON-CURRENT			499,226	270,000	499,266

*These facilities were fully repaid during the 2023 financial year (including Coal Drops Yard M1) and replaced with a new single loan facility (see note ** below)

**On 18th August 2022, the Group successfully completed a new, single loan facility ("the Multi-plot loan facility") of £1.06bn which is secured by a number of investment assets across the King's Cross estate. This facility was utilised in the full repayment of those separate facilities noted above. Although the facility maturity date is 22 October 2024, the Group has the option (but not an obligation) to extend this facility under the existing terms until 16 August 2027.

16 PAYMENTS ON ACCOUNT

	Consolidated		Partnership	
	2023 £000	2022 £000	2023 £000	2022 £000
CURRENT				
Deposits received from purchasers of apartments	33,254	16,141	-	-
Rental Deposits held	6,207	6,901	5,924	5,716
	<u>39,461</u>	<u>23,042</u>	<u>5,924</u>	<u>5,716</u>

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

17 PARTNERS' ACCOUNTS YEAR ENDED 31 MARCH 2023 (CONSOLIDATED)

	KCCGP £000	KCCPT £000	Total £000
<u>CAPITAL ACCOUNT</u>			
Opening and closing balance	-	10	10
<u>LIMITED PARTNER'S CONTRIBUTION</u>			
Opening and closing balance	113	266.902	267.015
<u>CURRENT ACCOUNT</u>			
Opening 1 April 2021	1,268	1,583.992	1,585.260
Profit attributable to the partners for the year	195	243.771	243.966
Closing 31 March 2022	1,463	1,827.763	1,829.226
Loss attributable to the partners for the year	(60)	(76.454)	(76,514)
Closing 31 March 2023	1,403	1,751.309	1,752.712
<u>HEDGING RESERVE</u>			
Opening 1 April 2021	(1)	(1.448)	(1.449)
Movement during the year	2	2.649	2.651
Closing 31 March 2022	1	1.201	1.202
Movement during year	(1)	(1.201)	(1.202)
Closing 31 March 2023	-	-	-
TOTAL PARTNERS' ACCOUNTS AT 31 MARCH 2022	1,577	2,095.876	2,097.453
TOTAL PARTNERS' ACCOUNTS AT 31 MARCH 2023	1,516	2,018.221	2,019.737

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

17. PARTNERS' ACCOUNTS YEARS ENDED 31 MARCH 2022 (PARTNERSHIP) (continued)

	KCCGP £000	KCCPT £000	Total £000
<u>CAPITAL ACCOUNT</u>			
Opening and closing balance	-	10	10
<u>LIMITED PARTNER'S CONTRIBUTION</u>			
Opening and closing balance	113	266,902	267,015
<u>CURRENT ACCOUNT</u>			
Opening 1 April 2021	980	1,224,538	1,225,518
Profit for the year attributable to the partners	52	64,894	64,946
Closing 31 March 2022	1,032	1,289,432	1,290,464
Loss for the year attributable to partners	(31)	(38,482)	(38,515)
Closing 31 March 2023	1,001	1,250,950	1,251,949
<u>HEDGING RESERVE</u>			
Opening 1 April 2021	-	(1,449)	(1,449)
Movement during the year	1	2,044	2,045
Closing 31 March 2022	1	595	596
Movement during the year	(1)	(595)	(596)
Closing 31 March 2023	-	-	-
TOTAL PARTNERS' ACCOUNTS AT 31 MARCH 2022	1,146	1,556,939	1,558,085
TOTAL PARTNERS' ACCOUNTS AT 31 MARCH 2023	1,114	1,517,860	1,518,974

The Limited Partner's Contribution was made primarily by way of the injection of the land at King's Cross into the Partnership; it carries no interest and is only repayable at the option of the General Partner.

18. FINANCIAL INSTRUMENTS

(a) Fair values

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

The fair value of cash and cash equivalents is estimated at its carrying amount where the cash is repayable on demand. Where cash is not repayable on demand, then the fair value is estimated at the fair present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

The fair value of trade and other payables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Fair value of interest-bearing loans which after initial recognition is determined for disclosure purposes only, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

18 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management

There are no allowances for bad or doubtful debts within the Group's trade receivables and all material amounts have been collected since 31 March 2023.

Credit risk is the risk of financial loss to the Group if a customer, or counterparty, to a financial instrument fails to meet its contractual obligations, and arises principally from the Partnership's receivables from third parties.

The carrying amount of trade receivables and cash held at banks represent the maximum credit exposure. Accordingly, the maximum exposure to credit risk at 31 March 2023 was £380.6 million (2022: £313.6 million). The Group's cash balance of £161.3 million is deposited with UK clearing banks, all with credit ratings from Moody's of BAA2 or above.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due, other than credit provided by suppliers, all of which were payable (and were paid) within six weeks of the period end. The Asset Manager (note 20) reports regularly to the General Partner's Board on the forecast expenditure and regularly provides detailed cash flow projections to the General Partner's Board to ensure that the Partnership does not commit itself to expenditure in excess of its available facilities.

The following are the contractual maturities of financial liabilities:

31 MARCH 2023	Note	Carrying amount £000	Aggregate	Maturity by period			
			Contractual cash flows £000	1 year or less £000	1 to 2 years £000	2 to 5 years £000	Over 5 years £000
Trade and other payables	13	102,943	69,001	101,772	1,170	-	-
Secured bank loans*	15	1,542,353	1,542,353	57,385	21,189	1,463,779	-
		<u>1,645,296</u>	<u>1,599,738</u>	<u>159,157</u>	<u>22,359</u>	<u>1,463,779</u>	<u>-</u>

* This includes the £1.06b multi-plot loan facility. Although the initial term matures on 22 October 2024, the Partnership has the option to extend (without material preconditions) until 16 August 2027. As a result of the option, the contractual maturity (and associated contractual cashflows) of the facility is considered to be 16 August 2027.

31 MARCH 2022		Carrying amount £000	Aggregate	Maturity by period			
			Contractual cash flows £000	1 year or less £000	1 to 2 years £000	2 to 5 years £000	Over 5 years £000
Trade and other payables	13	127,644	127,644	106,653	20,417	574	-
Secured bank loans and other financial liabilities	13 & 15	1,307,360	1,700,267	380,717	714,500	605,050	-
DERIVATIVE FINANCIAL LIABILITIES							
Interest rate swaps		(1,202)	(1,202)	-	(1,202)	-	-
		<u>1,433,802</u>	<u>1,826,709</u>	<u>487,370</u>	<u>733,715</u>	<u>605,624</u>	<u>-</u>

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

18 FINANCIAL INSTRUMENTS (continued)

(c) *Interest risk*

The interest rates incurred on the Partnership's loans are disclosed in note 14 and no interest is payable on the ICAs.

The Partnership has interest rate swaps to fix, and caps limit, the cost of the projected borrowing on the secured term loans (note 15). A hedging reserve has been included under Partners' accounts.

(d) *Capital management*

The Partnership uses a mixture of capital and available banking facilities to meet its expenditure requirements.

€ *Sensitivity analysis*

For the year ended 31 March 2023 a change in market interest rates would not have materially affected the Partnership's result because substantially all of the Partnership borrowings are subject to interest rate caps.

19 NET DEBT ANALYSIS

Analysis of changes in net debt:

	Borrowings due within one year	Borrowings due after one year	Subtotal	Cash and cash equivalents	Net debt
	£000	£000	£000	£000	£000
Balance at 1 April 2022	(341,723)	(934,423)	(1,276,146)	155,207	(1,120,939)
Cash flows	(880,480)	1,159,263	278,783	6,099	284,882
Other non-cash changes	1,162,085	(1,694,046)	(531,961)	-	(531,961)
Balance at 31 March 2023	(60,118)	(1,469,206)	(1,529,324)	161,305	(1,368,018)

20 RELATED PARTIES

The Asset Manager is a wholly owned subsidiary of Argent King's Cross GP LLP ("AKXGP"), the general partner of the Argent King's Cross Limited Partnership ("AKXLP") which is one of the Unitholders in King's Cross Central Property Trust, and in which the BT Pension Scheme is a significant investor. The fees set out below have been either paid or are owed to the Asset Manager, under the Asset Management Agreement dated 12 March 2009 (as amended), between the Partnership (acting by the General Partner), the Asset Manager and others. See note 13 for the amounts outstanding at the year end.

During the year, the Partnership paid £47.87m (2022: £32.60m) in fees to the Asset Manager in relation to Development and Asset Management Fees, Performance Fees, and the Interest on Performance Fees. At the year end, the Partnership owed £11k (2022: £36.11m). This balance is disclosed in trade and other payables (note 13).

On 22 April 2021, KCCLP granted a long-term lease of the Triangle plot at the north of the King's Cross estate to AR Triangle Property LP, a related party by virtue of shared key management personnel. The minimum payment KCCLP will receive for this disposal is £15 million. At the 31 March 2023, KCCLP has recognised the present value of this consideration at £11.15 million in accrued income (see note 10).

King's Cross

Central Limited Partnership

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2023

21 CAPITAL COMMITMENTS

Total capital commitments under construction-related contracts at 31 March 2023 were £89.8 million (2022: £296.6 million).

The Partnership have committed to spend £1.4 million on two unlisted PropTech investments at 31 March 2023 (2022: £1.8m).

22 OWNERSHIP

The Partnership's sole Limited Partner is King's Cross Central Property Trust ("KCCPT"), a unit trust established in Jersey, whose voting units are held by Australian Super Property No.3 LLC (71.58%) (2022: 70.0%), Britel Fund Trustees Limited (23.6%) (2022:23.6%) and Argent King's Cross Limited Partnership (4.83%) (2022: 6.3%). The Chairman holds non-voting 153,046 (0.1%) (2022: 153,046) units.

The General Partner's shares are held in the same proportions as KCCPT's units. Australian Superannuation holds 71.48% (2022: 70.0%) of the issued share capital of King's Cross Central General Partner Limited ("KCCGP"). Britel Fund Trustees Limited holds 23.6% (2022:23.6%), Argent King's Cross Limited Partnership holds 4.83% (2022:6.3%) and the Chairman holds 0.1%.