



Company Registration No. 06653234

Argent Projects No 4 GP Limited

Directors' Report and Financial Statements

Year ended 31 December 2016



4-10-17 09: F



ARGENT

Argent Projects No 4 GP Limited

Report and financial statements 2016

| Contents | Page |
|---|-------------|
| Directors' report | 1 |
| Statement of directors' responsibilities | 2 |
| Independent auditor's report to the members of Argent Projects No 4 GP Limited | 3 |
| Profit and loss account | 4 |
| Balance sheet | 5 |
| Statement of changes in equity | 6 |
| Cash flow statement | 7 |
| Notes to the financial statements | 8 |



Argent Projects No 4 GP Limited

Directors' report

The directors present their report and the audited financial statements for the year to 31 December 2016 for Argent Projects No 4 GP Limited ("the Company"). This is a private company limited by shares.

This Director's report has been prepared in accordance with the special provisions relating to small companies and therefore taking the exemption from preparing a strategic report.

The financial statements have been prepared in compliance with Financial Reporting Standard 102 ("FRS 102") on the going concern basis, as detailed in note 11 to the financial statements and set out below.

Principal activities

The Company's principal activity is to act as the General Partner for the Argent Projects No 4 Limited Partnership ("the Partnership") (LP13216). The directors do not anticipate any change to these activities going forward.

Results and dividends

The result for the year is shown on page 4; during the year, the Company made a profit of £40,857 (2015: £nil). No dividend was paid during the current or preceding year.

Directors and their interests

The directors who held office during the year, and to the date of this report, except as shown, were as follows:

C R A Darroch *(appointed 1 January 2017)*
*R M Evans
*A Gibbs
*M B Lightbound
*D J G Partridge
*N P Searl *(alternate)*
C M Taylor *(resigned 1 January 2017)*
J H E Thompson
J G M Wates

*The individuals marked with an asterisk held an indirect interest in shares in the Company via intermediary entities.

Statement of disclosure to the auditor

The directors at the date of approval of this report confirms that:

- so far that they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- as a director they have taken all steps that ought to have been taken in order to make it aware of any relevant audit information, and has established that the Company's auditor is aware of that information.

Going concern

The directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt a going concern basis in preparing the financial statements.

Auditor

The Company was previously dormant and entitled to exemption from audit under section 480 of the Companies Act 2006 relating to small companies. Following the commencement of trading the Company has appointed KPMG LLP to act as auditor from 28 September 2017. 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.

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

M B Lightbound
Director

29 September 2017
4 Stable Street, London, N1C 4AB



Argent Projects No 4 GP Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Argent Projects No 4 GP Limited

We have audited the financial statements of Argent Project No 4 GP Limited for the year ended 31 December 2016 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's 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 Company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Bill Holland (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London, E14 5GL

29 September 2017



Argent Projects No 4 GP Limited

Profit and loss account for the year ended 31 December 2016

| | | Year ended 31 December 2016 £ | Unaudited Year ended 31 December 2015 £ |
|--|----------|--|---|
| | Note | | |
| Distributions receivable | 2, 9 | 55,371 | - |
| Administrative expenses | | (4,300) | - |
| | | <hr/> | <hr/> |
| Profit on ordinary activities before taxation | 4 | 51,071 | - |
| | | | |
| Tax on profit on ordinary activities | 5 | (10,214) | - |
| | | <hr/> | <hr/> |
| Profit for the financial year | | 40,857 | - |
| | | <hr/> | <hr/> |

All amounts derive from continuing operations.

The Company has no recognised gains or losses other than the loss for the current and preceding year and hence no statement of other comprehensive income has been presented.

The notes on pages 8 to 11 form part of these financial statements.



ARGENT

Argent Projects No 4 GP Limited

Balance sheet as at 31 December 2016

| | Note | As at 31 December 2016 £ | Unaudited As at 31 December 2015 £ |
|---|------|-----------------------------------|--|
| Current assets | | | |
| Debtors | 6 | 56,371 | 1,000 |
| Total current assets | | 56,371 | 1,000 |
| Creditors: amounts falling due within one year | 7 | (14,514) | - |
| Net assets | | 41,857 | 1,000 |
| Capital and reserves | | | |
| Called up share capital | 8 | 1,000 | 1,000 |
| Profit and loss account | | 40,857 | - |
| Shareholders' funds | | 41,857 | 1,000 |

The notes set out on pages 8 to 11 form part of these financial statements.

These financial statements (Company No. 06653234) were approved by the Board of Directors on 29 September 2017.

Signed on behalf of the Board of Directors:

M B Lightbound
Director



ARGENT

Argent Projects No 4 GP Limited

Statement of changes in equity for the year ended 31 December 2016

| | Notes | Capital up share capital £ | Profit and loss account £ | Total £ |
|--|-------|----------------------------------|---------------------------------|------------|
| Balance at 1 January 2015 and 31 December 2015 | | 1,000 | - | 1,000 |
| Year ended 31 December 2016: | | | | |
| Total comprehensive income for the year | | - | 40,857 | 40,857 |
| Balance at 31 December 2016 | | 1,000 | 40,857 | 41,857 |

The notes set out on pages 8 to 11 form part of these financial statements.



Argent Projects No 4 GP Limited

Cash flow statement for the year ended 31 December 2016

| | Notes | 2016 £ | Unaudited 2015 £ |
|--|-------|-----------|------------------------|
| Cash flow from operating activities | | | |
| Operating profit | | 51,071 | - |
| (Increase) in debtors | 6 | (55,371) | - |
| Increase in creditors | 7 | 14,514 | - |
| Increase in creditors | 7 | (10,214) | - |
| Net cash inflow from operating activities | | - | - |
| Increase in cash and cash equivalents | | - | - |
| Opening cash | | - | - |
| Closing cash at 31 December | | - | - |

The notes set out on pages 8 to 11 form part of these financial statements.



ARGENT

Argent Projects No 4 GP Limited

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies

Argent Projects No 4 GP Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The registered office is 4 Stable Street, London, N1C 4AB. The nature of the Company's operations and its principal activities are set out on page 1.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 and the requirements of the Companies Act 2006.

This is the first year the Company has been audited. The Company was previously dormant and entitled to an exemption from audit under section 480 of the Companies Act 2006 relating to small companies.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using 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 laws. 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 that they will be recovered. Deferred tax assets and liabilities are not discounted.

Debtors and creditors

Debtors and creditors are initially held at historic cost and subsequently, debtors at cost less any provisions. Provisions for debtors are made where it is established that there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable. The provision is recognised in the profit and loss account.

Creditors are recognised at historic cost.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not consider there to be any judgements that have a significant effect on the amounts recognised in the financial statements.

2. Distributions receivable

This relates to the annual Priority Profit share due to the Company from the Partnership and is recognised once the Partnership has distributable profits available, in line with the Limited Partnership Agreement.

3. Directors and staff

None of the directors received any emoluments from the Company (2015: £nil). The Company did not employ any staff during the current or preceding year.

Argent Projects No 4 GP Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

4. Profit on ordinary activities before taxation

| | 2016 £ | Unaudited 2015 £ |
|---|-----------|------------------------|
| Profit on ordinary activities before taxation is stated after charging: | | |
| Auditor's remuneration – audit of the Company's accounts | 4,300 | - |

5. Tax on profit on ordinary activities

(a) Analysis of tax charge for the year

| | 2016 £ | Unaudited 2015 £ |
|---|-----------|------------------------|
| Current tax | | |
| Current year | 10,214 | - |
| Tax charge on profit on ordinary activities | 10,214 | - |

(b) Factors affecting the tax charge for the year

| | 2016 £ | Unaudited 2015 £ |
|---|-----------|------------------------|
| Profit on operating activities before tax | 51,071 | - |
| Tax on profit on ordinary activities multiplied by the standard rate of UK corporation tax of 20% (2015: 20.25%) | 10,214 | - |
| Total tax charge | 10,214 | - |

Factors that may affect future tax charges

The UK corporation tax rate reduced from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce any current tax charges in future periods accordingly.

There are no other factors that may significantly affect future tax charges. There were no amounts of provided or unprovided deferred taxation as at 31 December 2016 or 31 December 2015.



ARGENT

Argent Projects No 4 GP Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

6. Debtors

| | 2016 | Unaudited 2015 |
|--|---------------|-------------------|
| | £ | £ |
| Argent Projects No 4 Limited Partnership | 55,371 | - |
| Unpaid share capital | 1,000 | 1,000 |
| | <u>56,371</u> | <u>1,000</u> |

7. Creditors: amounts falling due within one year

| | 2016 | Unaudited 2015 |
|-----------------|---------------|-------------------|
| | £ | £ |
| Corporation tax | 10,214 | - |
| Accruals | 4,300 | - |
| | <u>14,514</u> | <u>-</u> |

8. Called up share capital

| | 2016 | Unaudited 2015 |
|----------------------------|--------------|-------------------|
| | £ | £ |
| Issued and allotted | | |
| 800 'A' shares of £1 each | 800 | 800 |
| 160 'B' shares of £1 each | 160 | 160 |
| 40 'C' shares of £1 each | 40 | 40 |
| | <u>1,000</u> | <u>1,000</u> |

All shares rank pari passu. Holders of 'A' shares have the right to appoint one director. Holders of 'B' and 'C' shares are entitled to be appointed as directors.

9. Related parties

A Funding Agreement exists between the Partnership, acting by the Company in its capacity as General Partner, and King's Cross Central Limited Partnership, acting by its general partner, King's Cross Central General Partner Limited ("KCCGP") to fund the development of a large residential building at King's Cross (The Plimsoll Building). The General Partner has directors in common with KCCGP, those being R M Evans and D J Partridge. There are no amounts disclosed in these financial statements in relation to this Funding Agreement.

There is a services agreement in place between the Partnership (acting by the Company as its General Partner) and Argent (Property Development) Services LLP ("ASLLP"). R M Evans, A Gibbs, M B Lightbound, D J G Partridge, N P Searl, J H E Thompson and J G M Wates are both directors of the General Partner and members of ASLLP. The Chairman of the Company's board of directors is ultimately empowered to determine decisions of the board in the event that unanimity is not achieved. There were no amounts outstanding as at the year-end.

During the year, the Company became entitled to a Priority Profit share from the Partnership, under the terms of the Limited Partnership Agreement. An amount of £55,371 (2015: £nil) has been recognised in the profit and loss in relation to this and the full amount remained outstanding as at 31 December 2016. This amount is included within debtors (see note 6) as at the year-end. Certain of the Company's directors, D J G Partridge, R M Evans, A Gibbs and M B Lightbound (and N P Searl as alternate director), are also indirect investors in the Partnership.



ARGENT

Argent Projects No 4 GP Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

10. Ultimate controlling party

The immediate parent undertaking of the Company is Britel Fund Nominees Limited, which is incorporated and registered in England and Wales. The Company is majority owned by the BT Pension Scheme, registered address: Lloyds Chambers, 1 Portsoken Street, London, E1 8HZ.

11. Going concern

The directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt a going concern basis in preparing the financial statements.



ARGENT

No. LP 13217 (England and Wales)

**Argent Projects No 4 Limited Partnership
Members' Report and Financial Statements
Year ended 31 December 2016**

L

1



ARGENT

Argent Projects No 4 Limited Partnership

Members' report and financial statements

| Contents | Page |
|--|-------------|
| Members' report | 1 |
| Members' responsibilities statement | 3 |
| Independent auditor's report to the members of Argent Projects No 4 Limited Partnership | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Statement of net assets attributable to the members | 7 |
| Cash flow statement | 8 |
| Notes to the financial statements | 9 |



ARGENT

Argent Projects No 4 Limited Partnership

Members' Report

for the year ended 31 December 2016

The Argent Projects No 4 Limited Partnership ("the Partnership") is a Limited Partnership formed on 24 September 2008 registered in England and Wales under the Limited Partnership Act 1907. The General Partner (Argent Projects No 4 GP Limited) presents its annual report and the financial statements for the year to 31 December 2016. The financial statements have been prepared on the going concern basis, as detailed in note 13 to the financial statements and as set out below.

This Members' report has been prepared in accordance with the special provisions relating to small companies in accord law for qualifying Partnerships and therefore taking the exemption from preparing a strategic report.

Principal activities

The Partnership holds a number of investments.

Business review

The Partnership sold its 50% holding in the Elisabeth House Unit Trust in August 2016 (see note 4).

The Partnership owned the freehold of 18 acres of land at Faringdon, Oxfordshire, which was held as work-in-progress (note 7). On 6 May 2016, the land was sold for £1.275 million.

On 26 March 2012, the Partnership entered into a Funding Agreement with King's Cross Central Limited Partnership ("KCCLP") to fund the development of a large residential building at King's Cross (The Plimsoll Building, "P1"). The Partnership and KCCLP will ultimately share the profits generated. During the prior year, all amounts that had been advanced under this facility to KCCLP were paid back in full.

In September 2015 the Plimsoll Building achieved practical completion and the sale completions commenced for the residential flats therein. Consequently KCCLP commenced repayment of the loan facility as mentioned above and the Partnership commenced repayment of the preferred advances provided by Britel Fund Trustee Ltd, a partner in the Partnership. Both the facility and the advances have now been mostly repaid. The Partnership will continue to market the remaining unsold units for the foreseeable future.

Financial risk management

The General Partner has considered the impact of adverse changes in the market on the financial risks of market, currency, interest rate, credit and liquidity risks. It has been determined that any adverse changes in the market to the parameters that determine the effects of these financial risks will have a minimal impact on the financial performance and position of the Partnership. The General Partner continues to monitor the economic market for fluctuations which drive Partnership's decisions and policy.



ARGENT

Argent Projects No 4 Limited Partnership

Members' Report (continued) for the year ended 31 December 2016

Statement of disclosure to auditor

The General Partner at the date of approval of this report confirms that:

- so far it is aware, there is no relevant audit information of which the Partnership's auditor is unaware; and
- as a General Partner it has taken all steps that ought to have been taken in order to make it aware of any relevant audit information, and has established that the Partnership's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act

Going concern

The General Partner has a reasonable expectation that the Partnership has adequate resources to continue to trade for the foreseeable future. Accordingly, as detailed in note 13 to the financial statements, the General Partner continues to adopt a going concern basis in preparing the financial statements.

Auditor

Deloitte LLP resigned as auditor on 6 April 2017. KPMG LLP were appointed as auditor on 13 September 2017. 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.

On behalf of the members

.....
M B Lightbound

For and on behalf of the General Partner,
Argent Projects No 4 GP Limited

29 September 2017

Argent Projects No 4 Limited Partnership

Statement of members' responsibilities in respect of the Members' Report and the financial statements for the year ended 31 December 2016

The members are responsible for preparing the Members' Report and the partnership financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the members to prepare 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 members have elected to prepare the 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 members 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 partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed.

The members have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the partnership and to prevent and detect fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the partnership's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Argent Projects No 4 Limited Partnership

We have audited the financial statements of Argent Projects No 4 Limited Partnership for the year ended 31 December 2016 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 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 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 partnership and the partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements


In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the members were not entitled to take advantage of the small companies exemption, as applied to qualifying partnerships, from the requirement to prepare a strategic report.



Bill Holland (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London, E14 5GL

29/9/2017

Argent Projects No 4 Limited Partnership

Profit and loss account for the year ended 31 December 2016

| | Note | 2016 £ | 2015 £ |
|---|------|--------------------|-------------------|
| Turnover | 1 | 1,275,163 | - |
| Cost of sales | | (1,189,010) | - |
| Gross profit | | 86,153 | - |
| Administrative expenses | | (51,962) | (9,096) |
| Performance fees payable | | (1,051,339) | - |
| Operating loss | 3 | (1,017,148) | (9,096) |
| Fair value adjustment to investment | 6 | 6,728,212 | 21,760,673 |
| Profit on sale of investment in joint venture | 4 | 16,955,863 | - |
| Interest payable and similar charges | | (534) | (550) |
| Profit for the financial year | | 22,666,393 | 21,751,027 |

All amounts derive from continuing operations.

The Partnership has no recognised gains or losses other than as shown above for the current and preceding year, and hence no statement of total recognised income has been presented.

The notes on pages 9 to 14 form part of these financial statements.

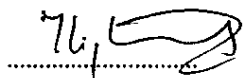
Argent Projects No 4 Limited Partnership

Balance sheet as at 31 December 2016

| | Notes | 2016 £ | 2015 £ |
|---|-------|------------|------------|
| Fixed assets | | | |
| Investment in joint venture | 5 | - | 26,382,500 |
| Investment in KCCLP | 6 | 23,103,118 | 48,833,546 |
| | | <hr/> | <hr/> |
| | | 23,103,118 | 75,216,046 |
| Current assets | | | |
| Work-in-progress | 7 | - | 1,186,596 |
| Debtors | 8 | 7,246,011 | 95,071 |
| Cash at bank | | 254,598 | 582,408 |
| | | <hr/> | <hr/> |
| | | 7,500,609 | 1,864,075 |
| Creditors: amounts falling due within one year | 9 | (183,026) | (26,614) |
| | | <hr/> | <hr/> |
| Net current assets | | 7,317,583 | 1,837,461 |
| | | <hr/> | <hr/> |
| Net assets attributable to the members | | 30,420,701 | 77,053,507 |
| | | <hr/> | <hr/> |
| Members' capital and current accounts | | | |
| Capital accounts | 10 | 9,000 | 9,000 |
| Ordinary advances | 10 | 30,411,701 | 56,273,761 |
| Preferred advances | 10 | - | 20,770,746 |
| | | <hr/> | <hr/> |
| Members' funds | | 30,420,701 | 77,053,507 |
| | | <hr/> | <hr/> |

The notes on pages 9 to 14 form part of these financial statements.

The financial statements were approved by the General Partner and authorised for issue on 29 September 2017 and are signed on its behalf by:



M B Lightbound

For and on behalf of the General Partner,
Argent Projects No 4 GP Limited
Registration No. LP 13217

Argent Projects No 4 Limited Partnership

Statement of net assets attributable to the Partners for the year ended 31 December 2016

| | Notes | Capital accounts £ | Loan accounts £ | Total £ |
|---|-------|--------------------------|--------------------|--------------|
| Balance at 1 January 2015 | 10 | 9,000 | 90,748,703 | 90,757,703 |
| Year ended 31 December 2015: | | | | |
| Total comprehensive income for the year | | - | 21,751,027 | 21,751,027 |
| Additions during the year | | - | 15,935,725 | 15,935,725 |
| Repaid during the year | | - | (41,392,217) | (41,392,217) |
| Distributions during the year | | | (9,998,731) | (9,998,731) |
| Balance at 31 December 2015 | | 9,000 | 77,044,507 | 77,053,507 |
| Year ended 31 December 2016: | | | | |
| Total comprehensive income for the year | | - | 22,666,393 | 22,666,393 |
| Repaid during the year | 10 | - | (41,001,896) | (41,001,896) |
| Distributions during the year | 10 | - | (28,297,303) | (28,297,303) |
| Balance at 31 December 2016 | | 9,000 | 30,411,701 | 30,420,701 |

The notes on pages 9 to 14 form part of these financial statements.

Argent Projects No 4 Limited Partnership

Cash flow statement for the year ended 31 December 2016

| | Notes | 2016 £ | 2015 £ |
|---|-------|---------------------|------------------|
| Cash flow from operating activities | | | |
| Operating loss | | (1,017,148) | (9,096) |
| Decrease/(increase) in work in progress | 7 | 1,186,596 | (2,059) |
| Increase in debtors | 8 | (7,150,940) | (84,992) |
| Increase/(decrease) in creditors | 9 | 156,411 | (44,968) |
| Net cash outflow from operating activities | | <u>(6,825,081)</u> | <u>(141,115)</u> |
| Cash flow from investing activities | | | |
| Profit share received | | 32,458,641 | 1,103,116 |
| Proceeds from sale of investment | | 43,338,363 | - |
| Net cash inflow from investing activities | | <u>75,797,004</u> | <u>1,103,116</u> |
| Cash flow from financing activities | | | |
| Loans to KCCLP | | - | (15,935,724) |
| Loans repaid by KCCLP | | - | 51,005,203 |
| Interest paid | | (534) | (550) |
| Payments to members | | (69,299,199) | (35,455,222) |
| Net cash outflow from financing activities | | <u>(69,299,733)</u> | <u>(386,293)</u> |
| (Decrease)/increase in cash and cash equivalents | | <u>(327,810)</u> | <u>575,708</u> |
| Opening cash balance | | 582,408 | 6,700 |
| Closing cash at 31 December | | <u>254,598</u> | <u>582,408</u> |

The notes on pages 9 to 14 form part of these financial statements.

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

1 Accounting policies

Limited Partnership information

Argent Projects No 4 Limited Partnership is a Limited Partnership domiciled and registered in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB.

Accounting convention

These financial statements have been prepared in accordance with the Disclosure Framework 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.

As permitted by paragraph 1.12, the Partnership has taken advantage of the disclosure exemption not to include a Strategic Report.

The financial statements are prepared in sterling, which is the functional currency of the Partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, except for the investments, which are stated at fair value. The principal accounting policies adopted are set out below.

Interest in joint ventures

The Partnership has treated its interest in The Elisabeth House Unit Trust, which is the sole limited partner in Elisabeth House Limited Partnership ("Elisabeth House") as a joint venture. This investment is recognised at cost less impairment, in line with Section 15 "Investments in joint ventures" of FRS 102. The investment was sold during the year (see note 4).

Investments

The investments balance represents a facility agreement with KCCLP to fund development of the Plimsoll residential building at King's Cross. This has been classified as a complex financial instrument and accounted for in line with Section 12 of FRS 102. This investment was initially measured at fair value and subsequently at fair value through the profit and loss.

Judgements and key sources of estimation and uncertainty

In the application of the Partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

The following accounting policies are considered the critical accounting policies of the Partnership.

Accounting for joint ventures

The accounting treatment for joint ventures requires an assessment to determine the degree of control that the Partnership exercises over them and the form of any control. The Partnership's interest in its joint ventures is commonly driven by the terms of partnership agreements, which ensure that control is shared between the partners.

Investments

The investments balance represents a facility agreement with KCCLP to fund development of the Plimsoll residential building at King's Cross.

Under FRS 102, the investment is required to be measured at fair value at initial recognition and then subsequently at fair value through the profit and loss. Fair value is calculated at each balance sheet date by taking the Partnership's share of the external third party valuation performed at that date, less the Partnership's share of costs.

Financial instruments

The Partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Partnership's Balance Sheet when the Partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Partnership's obligations are discharged, cancelled, or they expire.

Taxation

No provision for taxation has been included within the accounts, since each of the members is responsible for settling its own tax liability.

Work-in-progress

Work-in-progress is held at the lower of cost and net realisable value.

Partner loan accounts

Partner loan accounts are treated as capital injections as defined by the Partnership Agreement.

Turnover

Turnover consists of the sale of the land in Faringdon, Oxfordshire, during the year, net of VAT.

Interest payable

Interest payable relates to interest arising on the preferred advances received from Britel Fund Trustees Limited. This is measured at the effective rate of interest on the underlying sum received, now applicable for payment.

2 Members and staff

None of the members during the year received any remuneration or other emoluments in respect of their services to the Partnership (2015: £nil), with the exception of their share of Partnership profits (as disclosed in note 8). The Partnership did not employ any staff during the year or preceding year.

| 3 Operating loss | 2016 | 2015 |
|--|-------------|-------------|
| Operating loss is stated after charging: | £ | £ |
| Auditor's remuneration – audit of the Partnership accounts | 6,800 | 6,171 |

4 Profit on sale of investment in joint venture

| | 2016 | 2015 |
|---|--------------|-------------|
| | £ | £ |
| Net proceeds from sale | 43,338,363 | - |
| Cost of investment | (26,382,500) | - |
| Profit on sale of investment in joint venture | 16,955,863 | - |

5 Investment in joint venture

| | 2016 | 2015 |
|--------------------|-------------|-------------|
| | £ | £ |
| Investment in EHUT | - | 26,382,500 |

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

The investment represented a 50% interest in the Elisabeth House Unit Trust ("EHUT"), a Trust formed on 29 September 2008 to make an investment in The Elisabeth House Limited Partnership, a Limited Partnership registered in England (number LP13217) which was formed to purchase and develop Elisabeth House in central Manchester.

The investment was sold during the year (see note 4).

6 Investment in KCCLP

| | 2016 £ | 2015 £ |
|------------------------------------|-------------------|-------------------|
| Fair value at 1 January 2016 | 48,833,546 | 63,245,468 |
| Repayments | (32,358,641) | (36,172,595) |
| Fair value through profit and loss | 6,728,212 | 21,760,673 |
| | <u>23,103,117</u> | <u>48,833,546</u> |
| Fair value at 31 December 2016 | <u>23,103,117</u> | <u>48,833,546</u> |

The investments balance represents a funding agreement with KCCLP to fund development of the Plimsoll residential building at King's Cross.

Under FRS 102 the investment is required to be measured at fair value at initial recognition and then subsequently at fair value through the profit and loss. Fair value is calculated at each balance sheet date by taking the Partnership's share of the external third party valuation performed at that date, less the Partnership's share of costs.

An external valuation of the King's Cross estate, including the Plimsoll building, is undertaken annually by professionally qualified external valuers on a quarterly basis. Further detail as to the basis on which this valuation is undertaken can be found within the KCCLP financial statements.

7 Work-in-progress

| | 2016 £ | 2015 £ |
|------------------|-----------|------------------|
| Work-in-progress | <u>-</u> | <u>1,186,596</u> |

Work-in-progress represented a freehold land interest of 18 acres of land known to the east of Coxwell Road, Faringdon registered at the land registry under title number ON79868. The land was sold for £1.28m on 6 May 2016.

8 Debtors

| | 2016 £ | 2015 £ |
|---|------------------|---------------|
| Amounts falling due within one year: | | |
| Capital contribution | 9,000 | 9,000 |
| Other debtors | 10,511 | 86,071 |
| Prepayments and accrued income | 7,226,500 | - |
| | <u>7,246,011</u> | <u>95,071</u> |

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

9 Creditors: amounts falling due within one year

| | 2016 £ | 2015 £ |
|---------------------------------------|----------------|---------------|
| Amounts due to Argent Estates Limited | - | 6,034 |
| Other creditors | 141,396 | - |
| Accruals | 41,630 | 20,580 |
| | <u>183,026</u> | <u>26,614</u> |

10 Movement in Members' capital and current accounts

| | 2016 Total £ |
|---|--------------------|
| Capital accounts | |
| As at 1 January and 31 December 2016 | 9,000 |
| Loan accounts – Ordinary Advances | |
| At 1 January 2016 | 56,273,761 |
| Reallocation of b/f funds | 7,233,555 |
| Repayments during the year | (27,464,705) |
| Transfer from current accounts | 22,666,393 |
| Distributions during the year | (28,297,303) |
| At 31 December 2016 | <u>30,411,701</u> |
| Loan accounts – Preferred Advances | |
| At 1 January 2016 | 20,770,746 |
| Reallocation of b/f funds | (7,233,555) |
| Repayments during the year | (13,537,191) |
| At 31 December 2016 | <u>-</u> |
| Current accounts | |
| At 1 January 2016 | - |
| Profit for the year | 22,666,393 |
| Transferred to loan accounts | (22,666,393) |
| At 31 December 2016 | <u>-</u> |

The members' current accounts represent the result for the year; each year the balance on each members' current account is transferred to that member's loan account.

Argent Projects No 4 Limited Partnership

Notes to the financial statements (continued) for the year ended 31 December 2016

11 Related party transactions

A Funding Agreement relating to P1 exists between the Partnership and KCCLP, acting by their respective general partners (as referenced in the General Partner's Report and note 6). The General Partner has two directors in common with King's Cross Central General Partner Limited, those being R M Evans and D J Partridge. During the year, this funding agreement generated returns of £32,458,641 (2015: £nil), as disclosed in the profit and loss. There were no amounts outstanding at the year-end.

There is a services agreement in place between the Partnership (acting by its General Partner) and Argent (Property Development) Services LLP ("ASLLP"). R M Evans, A Gibbs, M B Lightbound, D J G Partridge, N P Searl, J H E Thompson and J G M Wates are both directors of the General Partner and members of ASLLP. During the year, fees of £1,051,339 (2015: £nil), as disclosed within the profit and loss. There were no amounts outstanding as at the year-end.

12 Ultimate controlling party

The General Partner of the Partnership is Argent Projects No 4 GP Limited and its Limited Partners are BriTel Fund Trustees Limited and Argent Nominee 1 Limited. The Partnership is majority owned by the BT Pension Scheme, registered address: Lloyds Chambers, 1 Portsoken Street, London, E1 8HZ.

13 Going concern

The General Partner has a reasonable expectation that the Partnership has adequate resources to continue to trade for the foreseeable future. Accordingly, the General Partner continues to adopt a going concern basis in preparing the financial statements.