



BRAEBURN ESTATES (GP) LIMITED

Registered number: 07698559

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



BRAEBURN ESTATES (GP) LIMITED

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BRAEBURN ESTATES (GP) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

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

PRINCIPAL ACTIVITY

The company acts as the General Partner of Braeburn Estates Limited Partnership.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £43,860 (2019 - £2,584).

No dividends were paid or proposed (2019: £Nil).

DIRECTORS

The directors who served during the year were:

T K A A Al-Abdulla
A Al-Attiyah
R D S Archer (resigned 29 January 2020)
M Ashraf
C T Bryant (appointed 29 January 2020, resigned 31 December 2020)
Sir George Iacobescu CBE
A J S Jordan (resigned 31 March 2020)
S Z Khan
J Lamothe (resigned 31 July 2020)
B Vickers (appointed 31 March 2020)
R E Oakes (appointed 31 July 2020)
A R J Vallintine (appointed 31 December 2020)

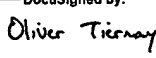
The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2020 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 19 May 2021 and signed on its behalf.

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O J Tiernay
Secretary

BRAEBURN ESTATES (GP) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 the directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by IASB. 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRAEBURN ESTATES (GP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES (GP) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion the financial statements of Braeburn Estates (GP) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and its profit for the year then ended;
- have been properly prepared in accordance with international reporting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB'); and
- have been prepared in accordance with the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

BRAEBURN ESTATES (GP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES (GP) LIMITED

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

BRAEBURN ESTATES (GP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES (GP) LIMITED

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

BRAEBURN ESTATES (GP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES (GP) LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

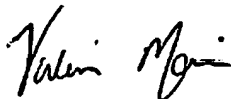
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

USE OF OUR REPORT

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.



Valerie Main (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
19 May 2021

BRAEBURN ESTATES (GP) LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Share of profit/(loss) in partnership	7	55,126	3,108
PROFIT BEFORE TAX		<u>55,126</u>	<u>3,108</u>
Tax on profit	6	(11,266)	(524)
PROFIT FOR THE FINANCIAL YEAR		<u>43,860</u>	<u>2,584</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Unrealised surplus on revaluation of fixed asset investments	7	45,341	37,713
Tax on revaluation of fixed asset investments	11	(9,416)	(6,411)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		<u>35,925</u>	<u>31,302</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>79,785</u>	<u>33,886</u>

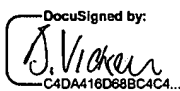
The notes on pages 10 to 16 form part of these financial statements.

BRAEBURN ESTATES (GP) LIMITED
REGISTERED NUMBER:07698559

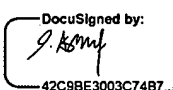
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	7	142,452	41,985
		<u>142,452</u>	<u>41,985</u>
CURRENT ASSETS			
Trade and other receivables	8	130,089	130,089
		<u>130,089</u>	<u>130,089</u>
Current liabilities	9	(10,317)	-
		<u>(10,317)</u>	<u>-</u>
NET CURRENT ASSETS		<u>119,772</u>	<u>130,089</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>262,224</u>	<u>172,074</u>
Deferred tax	11	(16,224)	(5,859)
		<u>(16,224)</u>	<u>(5,859)</u>
NET ASSETS		<u>246,000</u>	<u>166,215</u>
CAPITAL AND RESERVES			
Called up share capital	12	130,100	130,100
Revaluation reserve		69,163	33,238
Retained earnings		46,737	2,877
		<u>246,000</u>	<u>166,215</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 May 2021.

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B Vickers
 Director

DocuSigned by:

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M Ashraf
 Director

The notes on pages 10 to 16 form part of these financial statements.

BRAEBURN ESTATES (GP) LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Revaluation reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2020	130,100	33,238	2,877	166,215
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	43,860	43,860
Revaluation of investment	-	35,925	-	35,925
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	35,925	43,860	79,785
AT 31 DECEMBER 2020	130,100	69,163	46,737	246,000

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Revaluation reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2019	130,100	1,936	293	132,329
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	2,584	2,584
Revaluation of investment	-	31,302	-	31,302
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	31,302	2,584	33,886
AT 31 DECEMBER 2019	130,100	33,238	2,877	166,215

The notes on pages 10 to 16 form part of these financial statements.

BRAEBURN ESTATES (GP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Braeburn Estates (GP) Limited is an private limited company incorporated in England and Wales and registered at One Canada Square, Canary Wharf, London, E14 5AB.

The nature of the company's operations and its principal activities are set out in the Directors' Report.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB.

The following new and revised accounting standards and interpretations have been adopted by the company in 2020. Their adoption has not had any significant impact on the amounts reported in these financial statements, but may impact the accounting for future transactions and arrangements:

- Amendments to IFRS 3 Business Combinations: Definition of a business
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to References to the Conceptual Framework in IFRS Standards
- Interest Rate Benchmark Reform (amendments to IFRS9, IAS 39 and IFRS 7)
- COVID-19 Related Rent Concessions (amendments to IFRS 16).

At 31 December 2020, a number of new standards, amendments to standards and interpretations have been issued by the IASB but are not effective for this year end.

The directors anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the company

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see Note 3).

The principal accounting policies are summarised below:

2.2 Going concern

At the year end, the company is in a net asset position.

Having made the requisite enquiries and assessed the resources at the disposal of the company, the directors have a reasonable expectation that the company will have adequate resources to continue its operation for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

BRAEBURN ESTATES (GP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Cash flow statement

The company had no cash flows during the year or the prior year and has accordingly not produced a Cash Flow Statement.

2.4 Investments

Investments in partnerships and are stated at fair value. The fair value is calculated by reference to the company's share of the net assets of the investment, as adjusted for assets and liabilities which are not carried at fair value. The movement that relates to income earned from partnership is taken to the income statement. The remaining fair value movement is recognised in other comprehensive income unless the carrying amount of the investment falls below its original cost, after which the deficit is recognised in the income statement.

Income from investments is recognised as the company becomes entitled to receive payment. Revenue profits and losses in partnerships are recognised on an accruals basis.

2.5 Financial instruments

Trade and other receivables

Debtors are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor concerned.

Trade and other payables

Trade and other payables are stated at cost.

2.6 Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of temporary difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expenses or income.

BRAEBURN ESTATES (GP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The preparation of financial statements also requires use of judgements, apart from those involving estimation, that management makes in the process of applying the entity's accounting policies.

Valuation of investments

Investments in partnerships are carried at fair value. The directors have valued the investment at the company's share of the partnership's net asset value.

For the year ended 31 December 2020, the financial statements of the company did not contain any significant items that required the application of judgements, apart from those involving estimation.

4. AUDITOR'S REMUNERATION

The auditor's remuneration of £560 (2019: £560) for the audit of the company has been borne by Braeburn Estates Limited Partnership.

5. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL).

BRAEBURN ESTATES (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****6. TAXATION**

	2020 £	2019 £
CORPORATION TAX		
Current tax on profits for the year	10,317	-
TOTAL CURRENT TAX	<u>10,317</u>	<u>-</u>
DEFERRED TAX		
Origination and reversal of timing differences	949	524
TOTAL DEFERRED TAX	<u>949</u>	<u>524</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>11,266</u>	<u>524</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	55,126	3,108
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	10,474	591
EFFECTS OF:		
Expenses not deductible for tax purposes	83	-
Adjustments to tax charge in respect of prior periods	820	(67)
Change in rate applied to deferred tax	(111)	-
TOTAL TAX CHARGE FOR THE YEAR	<u>11,266</u>	<u>524</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Enacted in the Finance Act 2020 is a provision to hold the rate of corporation tax at 19.0% on 1 April 2020.

Following the year end, in the 2021 Budget, HM Treasury announced their intention to raise corporation tax to 25% in 2023.

BRAEBURN ESTATES (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****7. FIXED ASSET INVESTMENTS**

	Investments in Partnership £
VALUATION	
At 1 January 2020	41,985
Revaluations	45,341
Share of profit/(loss)	55,126
	<u>142,452</u>
At 31 December 2020	<u>142,452</u>
NET BOOK VALUE	
At 31 December 2020	<u>142,452</u>
At 31 December 2019	<u>41,985</u>

As a general partner, the company has contributed £10 of the capital of the Braeburn Estates Limited Partnership, an English Limited Partnership registered at One Canada Square, Canary Wharf, London E14 5AB. This equates to 0.1% of the Partnership capital. The Partnership was established to redevelop a 5.25 acre site at Southbank Place, London.

8. TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Amounts owed by Braeburn Estates Limited Partnership	130,089	130,089
	<u>130,089</u>	<u>130,089</u>

Amounts owed by Braeburn Estates Limited Partnership are interest free and repayable on demand.

9. CURRENT LIABILITIES

	2020 £	2019 £
Corporation tax	10,317	-
	<u>10,317</u>	<u>-</u>

BRAEBURN ESTATES (GP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets that are debt instruments measured at amortised cost	130,089	130,089

Financial assets measured at amortised cost comprise amounts owed to Braeburn Estates Limited Partnership.

11. DEFERRED TAXATION

	2020 £
At beginning of year	(5,859)
Charged to the profit or loss	(949)
Charged to other comprehensive income	(9,416)
AT END OF YEAR	(16,224)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Tax losses carried forward	-	949
Revaluation of investments	(16,224)	(6,808)
	<u>(16,224)</u>	<u>(5,859)</u>

BRAEBURN ESTATES (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****12. SHARE CAPITAL**

	2020 £	2019 £
Allotted, called up and fully paid		
32,525 (2019 - 32,525) A ordinary shares of £1.00 each	32,525	32,525
32,525 (2019 - 32,525) B ordinary shares of £1.00 each	32,525	32,525
32,525 (2019 - 32,525) C ordinary shares of £1.00 each	32,525	32,525
32,525 (2019 - 32,525) D ordinary shares of £1.00 each	32,525	32,525
	<hr/>	<hr/>
	130,100	130,100
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13. OTHER FINANCIAL COMMITMENTS

As at 31 December 2020 and 31 December 2019, the company had given fixed and floating charges over substantially all its assets to secure the commitments of entities within the Braeburn Estates Limited Partnership group.

14. CONTROLLING PARTY

In 2011, entities owned by Canary Wharf Group plc and Qatari Diar Real Estate Investment Company ('Qatari Diar') entered into a 50:50 joint venture to redevelop the Shell Centre, a 5.25 acre site on the Southbank in London.

The company is 50% owned by Canary Wharf Holdings (PB) Limited, a wholly owned subsidiary of Canary Wharf Group plc, and 50% owned by Project Russet (GP Company) Limited, a wholly owned subsidiary of Qatari Diar.

BRAEBURN ESTATES LIMITED PARTNERSHIP
Registered Number: LP14539

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

BRAEBURN ESTATES LIMITED PARTNERSHIP

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BRAEBURN ESTATES LIMITED PARTNERSHIP

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

The Braeburn Estates Limited Partnership was registered as an English limited partnership on 13 July 2011 and comprises one General Partner and 2 Limited Partners. The General Partner is incorporated in England and Wales. The Limited Partners are incorporated in Jersey.

The Amended and Restated Limited Partnership Deed dated 28 July 2011 requires that the General Partner prepares financial statements for each financial period. In preparing these 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 applicable 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 the Partnership will continue in existence.

The General Partner is also responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Partnership.

The General Partner is responsible for ensuring that the Partnership has complied at all times with its obligations under the Agreement and has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Partnership and to prevent and detect fraud, errors and other irregularities.

These financial statements have been prepared under Regulation 7 of the Partnerships (Accounts) Regulations 2008.

BRAEBURN ESTATES LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES LIMITED PARTNERSHIP

Independent auditor's report to the partners of Braeburn Estates Limited Partnership

Report on the audit of the non-statutory financial statements

Opinion

In our opinion the non-statutory financial statements of Braeburn Estates Limited Partnership (the 'parent partnership') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent partnership's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the Partnership Deed.

We have audited the non-statutory financial statements which comprise:

- the consolidated and parent partnership statement of comprehensive income;
- the consolidated and parent partnership statement of financial position;
- the consolidated and parent partnership statement of changes in equity;
- the consolidated and parent partnership cash flow statement; and
- the related notes 1 to 21 and (a) to (o).

The financial reporting framework that has been applied in their preparation is the relevant IFRSs as issued by the IASB and the Partnership Deed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the non-statutory financial statements section of our report.

We are independent of the group and of the parent partnership in accordance with the ethical requirements that are relevant to our audit of the non-statutory financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

BRAEBURN ESTATES LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES LIMITED PARTNERSHIP

Other information

The other information comprises the information included in the annual report, other than the non-statutory financial statements and our auditor's report thereon. The general partners are responsible for the other information contained within the annual report. Our opinion on the non-statutory financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-statutory financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the non-statutory financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the General Partner

As explained more fully in the General Partner's responsibilities statement, the General Partner is responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view, and for such internal control as the general partner determines is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-statutory financial statements, the General Partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the partners either intend to liquidate the group or the parent or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the non-statutory financial statements

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

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

BRAEBURN ESTATES LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES LIMITED PARTNERSHIP

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the partnership's industry and its control environment, and reviewed the partnership's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the partnership operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud to be in the assumptions in relation to the valuations of Development property which are carried within the Work In Progress balance at the lower of cost and net realisable value ('NRV'). To address the fraud risk we used our internal real estate specialists to benchmark yields, estimated rental values and capital values to external market data, including recent property transactions. In conjunction with our specialists, we challenged the external valuers on the key estimates and assumptions that underpin their valuation.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

BRAEBURN ESTATES LIMITED PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES LIMITED PARTNERSHIP

Use of our report

This report is made solely for the exclusive use of the partners and solely for the purpose as set out in the engagement letter. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

A handwritten signature in cursive script that reads "Deloitte LLP".

Deloitte LLP
London, United Kingdom
Date: 19 May 2021

BRAEBURN ESTATES LIMITED PARTNERSHIP**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Revenue	4	576,342,276	159,016,125
Cost of sales		(513,672,943)	(148,199,825)
Gross profit		62,669,333	10,816,300
Administrative expenses		(1,858,142)	(2,013,986)
Other operating income		1,412,139	35,953
Movement in fair value of investment properties	10	(296,337)	822,400
Operating profit	5	61,926,993	9,660,667
Finance and similar income	6	94,660	394,145
Finance and similar charges	7	(3,262,987)	(2,649,630)
Profit on ordinary activities before tax		58,758,666	7,405,182
Taxation	8	(69,075)	(154,987)
Profit for the year		58,689,591	7,250,195
Other comprehensive income			
Fair value movement of effective hedging instruments		131,913	215,285
Total comprehensive income		58,821,504	7,465,480

All amounts relate to continuing activities in the United Kingdom.

The Notes on pages 10 to 29 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	31 December 2020 £	31 December 2019 £
Non current assets			
Investment property	10	2,027,305	826,841
Total non current assets		<u>2,027,305</u>	<u>826,841</u>
Current assets			
Work in progress	9	433,770,837	835,088,849
Trade and other receivables	11	93,146,583	80,418,991
Cash and cash equivalents		79,892,050	93,622,092
Total current assets		<u>607,175,538</u>	<u>1,009,129,932</u>
Total assets		<u>609,202,843</u>	<u>1,009,956,773</u>
Current liabilities			
Bank loans	15	(47,555,435)	(301,950,375)
Trade and other payables	12	(149,996,620)	(130,398,563)
Residential deposits	13	(25,720,938)	-
Payments on account	14	(21,576,275)	-
Total current liabilities		<u>(244,849,268)</u>	<u>(432,348,938)</u>
Non current liabilities			
Residential deposits	13	-	(86,719,138)
Payments on account	14	-	(90,626,383)
Derivative instrument	16	-	(131,913)
Deferred taxation	18	(175,344)	(139,742)
Total non current liabilities		<u>(175,344)</u>	<u>(177,617,176)</u>
Total liabilities		<u>(245,024,614)</u>	<u>(609,966,114)</u>
Net assets		<u>363,812,163</u>	<u>399,990,659</u>
Equity			
Capital accounts	19	10,000	10,000
Partner advances	19	309,318,912	404,318,913
Hedging reserve	19	-	(131,913)
Partners' current accounts	19	54,483,248	(4,206,343)
Shareholders' equity		<u>363,812,160</u>	<u>399,990,657</u>
Minority interest		<u>3</u>	<u>2</u>
		<u>363,812,163</u>	<u>399,990,659</u>

The Notes on pages 10 to 29 form an integral part of these financial statements.

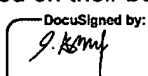
Approved by the partners on 19 May 2021 and signed on their behalf by:

DocuSigned by:

 B Vickers

DIRECTOR

On behalf of Braeburn Estates (GP) Limited

DocuSigned by:

 M Ashraf

DIRECTOR

BRAEBURN ESTATES LIMITED PARTNERSHIP**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2020**

	Capital accounts	Partner advances	Hedging reserve	Current accounts	Minority interest	Total equity
	£	£	£	£	£	£
At 1 January 2019	10,000	404,318,913	(347,198)	(11,456,538)	2	392,525,179
Comprehensive income for the year						
Profit for the year	–	–	–	7,250,195	–	7,250,195
Fair value movement of effective hedging instruments	–	–	215,285	–	–	215,285
Total comprehensive income for the year	–	–	215,285	7,250,195	–	7,465,480
At 31 December 2019	10,000	404,318,913	(131,913)	(4,206,343)	2	399,990,659
Comprehensive income for the year						
Profit for the year	–	–	–	58,689,591	–	58,689,591
Fair value movement of effective hedging instruments	–	–	131,913	–	–	131,913
Disposal of share	–	–	–	–	1	1
Total comprehensive income for the year	–	–	131,913	58,689,591	1	58,821,505
Repayment of Partner advances	–	(95,000,001)	–	–	–	(95,000,001)
At 31 December 2020	10,000	309,318,912	–	54,483,248	3	363,812,163

The Notes on pages 10 to 29 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP**CONSOLIDATED CASH FLOW STATEMENT**

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Operating profit/(loss)	61,926,993	9,660,667
Revaluation of investment properties	296,337	(822,400)
Decrease/(Increase) in work in progress	399,821,210	(69,401,235)
(Increase)/Decrease in receivables	(12,727,591)	656,021
Decrease in payables	(110,450,251)	(37,383,332)
Tax paid	(33,473)	(15,245)
Net cash flows from operating activities	338,833,225	(97,305,524)
Cash flows from investing activities		
Investment properties	—	(4,440)
Interest received	94,660	394,145
Interest paid	(3,262,986)	(2,649,630)
Net cash flows from investing activities	(3,168,326)	(2,259,925)
Cash flows from financing activities		
Bank loans: Drawdowns	46,780,749	170,670,780
Bank loans: Repayments	(301,175,689)	(64,925,651)
Partner advances	(95,000,001)	—
Net cash flows from financing activities	(349,394,941)	105,745,129
Net movements in cash and cash equivalents	(13,370,042)	6,179,680
Cash and cash equivalents at the start of the year	93,622,092	87,442,412
Cash and cash equivalents at the end of the year	79,892,050	93,622,092

The Notes on pages 10 to 29 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Braeburn Estates Limited Partnership is an English Limited Partnership registered at One Canada Square, Canary Wharf, London E14 5AB.

In July 2011, entities owned by Canary Wharf Group plc and Qatari Diar Real Estate Investment Company ('Qatari Diar') formed the Partnership to redevelop the Shell Centre, a 5.25 acre site on the South Bank in London.

The Partnership agreed to pay £300.0m to secure the site on a 999 year lease. Of this total, £30.0m was paid on exchange of the agreement with Shell and the balance was conditional on planning permission being received. The Partnership acquired the site in July 2015, following the successful conclusion of the planning process.

On 23 March 2018 Canary Wharf Group plc sold its interest in the Shell Centre to Canary Wharf Group Residential Limited as a part of a group reorganisation.

The development is mixed use, comprising office, residential and retail space, which is regenerating an important section of the South Bank in central London. In total, the redevelopment will comprise 530,000 sq. ft. of office space, 43,000 sq. ft. of retail, restaurants, cafes and a health club; and 830,000 sq. ft. of residential, creating 877 apartments in 5 buildings.

The partnership entered into forward sale agreements with Almacantar for 2 office properties within the Shell Centre redevelopment and has accounted for these agreements as construction contracts. Building 1 achieved practical completion in August 2018 and Building 2 in January 2019.

The partnership also entered into a conditional contract with a fund to sell the private rental element of 8 Casson Square, a residential building in Southbank Place. This sale completed in 2 stages in July 2020 and October 2020. The remaining properties comprised residential properties held for sale.

An occupation certificate for Belvedere Gardens, the first residential development for sale at Southbank Place, was issued in August 2019. During the year 24 sales completed in addition to the 61 which completed in 2019 taking the total sales to date 85 out of the 97 apartments in the building.

The occupation certificate on 30 Casson Square was issued in December 2019. Notices to complete have been served on 157 out of the 167 apartments in the building and 138 sales completed prior to the year end.

The occupation certificate on One Casson Square was issued in July 2020. Notices to complete have been served on 205 out of the 213 apartments in the building and 111 sales completed prior to the year end.

In the year ended 31 December 2020, the Partnership recognised in aggregate a profit of £62.7m.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The basement and ground floor slab of the final residential building on the site has been constructed and build out of the above grade structure will commence when market conditions allow.

Accounting convention

The financial statements have been prepared in accordance with international accounting standards in conformity with requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by IASB.

The following new and revised accounting standards and interpretations have been adopted by the Partnership in 2020. Their adoption has not had any significant impact on the amounts reported in these financial statements, but may impact the accounting for future transactions and arrangements:

- Amendments to IFRS 3 Business Combinations: Definition of a business
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to References to the Conceptual Framework in IFRS Standards
- Interest Rate Benchmark Reform (amendments to IFRS9, IAS 39 and IFRS 7)
- COVID-19 Related Rent Concessions (amendments to IFRS 16).

At 31 December 2020, a number of new standards, amendments to standards and interpretations have been issued by the IASB but are not effective for this year end.

The partners anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the Partnership.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see Note 2).

Replacement of LIBOR as an interest rate benchmark

It is anticipated that LIBOR will be replaced or discontinued after the end of 2021, as part of global financial regulators' project to reform interest rate benchmarks. However, as the Group's remaining construction facility was repaid in April 2021, the transition to new benchmark interest rates is not considered to be a significant issue for the group.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies are summarised below:

Going Concern

The Partnership is in a net asset position at the year end.

Having made the requisite enquiries and assessed the resources at the disposal of the Partnership, the Partners have a reasonable expectation that the Partnership will have adequate resources to continue its operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The impact of COVID-19

Since March 2020 the UK economy has been significantly impacted by the COVID-19 virus which has caused widespread disruption and economic uncertainty. Although the crisis has had a significant impact on the business as a result of reduced availability of labour and supplies impacting on the ability to complete remaining projects on schedule, it has not affected the Partnership's ability to continue its operations for the foreseeable future.

Basis for consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiary undertakings at 31 December 2020 and 31 December 2019 and their results for the years then ended.

Revenue

Rental income from operating leases is recognised in the Income Statement on a straight-line basis over the term of the lease.

Revenue from property sales is recognised, on completion, when the significant risks and returns pass to the acquirer.

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts.

Revenue from service charges includes recoverable expenditure together with any chargeable management fees and is recognised as it falls due.

Recharge revenue includes construction expenditure recoverable from other associated undertakings.

Investment properties

Investment properties, including land and buildings held for development and investment properties under construction, are measured initially at cost including related transaction costs. The finance costs associated with direct expenditure on properties under construction or undergoing refurbishment are capitalised.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Where an investment property interest is acquired under a lease the associated lease liability is initially recognised at the lower of the fair value and the present value of the minimum lease payments including any initial premium. Lease payments are apportioned between the finance charge and a reduction in the outstanding obligation for future amounts payable. The total finance charge is allocated to accounting periods over the lease term so as to produce a constant periodic charge to the remaining balance of the obligation for each accounting period.

Investment properties are subsequently revalued, at each reporting date, to an amount comprising the fair value of the property interest plus the carrying value of the associated lease liability less separately identified accrued rent, amortised lease incentives and negotiation costs. The gain or loss on remeasurement is recognised in the income statement.

Work in progress

Work in progress is stated at the lower of cost and net realisable value. Cost includes construction costs and development expenditure directly related to the development. Net realisable value is calculated as the amount estimated to be recovered from the development once development work has been completed, less costs to complete.

Finance costs associated with direct expenditure are capitalised. Interest is capitalised from the commencement of the development work until the date of practical completion. The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted.

Construction contracts

Construction contracts consist of properties that are being constructed in accordance with long term development contracts and for which the detailed design specification of each building is agreed with the purchaser. Where applicable the contracts are split into 3 component parts: sale of land, completed construction works at the date of entering into the contracts; and on-going construction contracts.

Revenue on sale of land and completed construction works is recognised at the point when the control is transferred to the buyer.

Revenue on construction contracts is recognised according to the stage reached in the contract using the percentage completion method. The percentage of completion is calculated by reference to costs incurred on the building compared with the estimated total costs.

The resulting balance carried in the statement of financial position comprises costs incurred plus recognised profits less the sum of recognised losses and progress billings. Where the sum of recognised losses and progress billings exceeds costs incurred plus recognised profits, the amount is shown as payments on account.

If it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised immediately as an expense.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Finance lease agreements: lessee

Assets held under finance leases which confer rights and obligations similar to those attached to owned assets are capitalised as tangible fixed assets at the value equal to the present value of minimum lease payments over the term of the lease.

The corresponding leasing commitments are shown as amounts payable to the lessor. Lease payments are apportioned between the finance charge and a reduction in the outstanding obligation for future amounts payable. The total finance charge is allocated to accounting periods over the lease term so as to produce a constant periodic charge to the remaining balance of the obligation for each accounting period.

Financial Instruments

Trade and other receivables

Receivables are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the Partnership will not be able to collect all amounts due according to the original terms of the debtor concerned.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held with banks and other short term highly liquid investments with original maturities of 3 months or less, which are held for the purpose of meeting short term cash commitments.

Trade and other payables

Trade and other payables are stated at cost.

Borrowings

Loans payable are recognised initially at transaction price including transaction costs.

Subsequent to initial recognition, loans payable are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the Income Statement over the period of the loan, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Derivative instruments

The Partnership uses interest rate derivatives to help manage its risks of changes in interest rates. The Partnership does not hold or issue derivatives for trading purposes.

In order for a derivative to qualify for hedge accounting, the Partnership is required to document the relationship between the item being hedged and the hedging instrument. The Partnership is also required to demonstrate an assessment of the relationship between the hedged item and the hedging instrument which shows that the hedge will be effective on an on-going basis. The effectiveness testing is reperformed at each balance sheet date to ensure that the hedge remains highly effective.

The changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income. The changes in the fair value of derivative financial instruments that are designated and effective as fair value hedges are recognised against the item being hedged. The changes in the fair value of any ineffective portions of hedges or undesignated financial instruments are recognised in the profit and loss account.

Hedge accounting is discontinued when the company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument is retained in equity and recycled to the Income Statement when the forecast transaction occurs. If the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of temporary difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expenses or income.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The preparation of financial statements also requires use of judgements, apart from those involving estimation, that management makes in the process of applying the entity's accounting policies.

Work in progress: Valuation of development properties

The partnership assesses Net Realisable Value on the basis of valuations performed by its independent valuers. The valuations are based upon assumptions including future sales proceeds, the appropriate discount rate or yield, and, in the case of development properties, the estimated costs to completion. The valuers also make reference to market evidence of transaction prices for similar properties.

At the year end the net realisable value exceeded the historical cost.

Construction contracts

IFRS 15 requires the pre-sale property contracts to be split into 3 component parts: sale of land; completed construction works at the date of entering into the contracts; and ongoing construction contracts. The proceeds receivable under such contracts are required to be allocated to each of these components. The allocation of revenue to completed construction works and ongoing construction contracts is calculated by reference to the market rates applicable for such independently performed construction work. The remaining revenue component is allocated to the sale of land.

Construction contracts are carried at the lower of cost and net realisable value. The latter is assessed by the Company having regard to suitable external advice and knowledge of recent comparable transactions.

Revenue on construction contracts is recognised using the percentage of completion method. The directors have estimated the outcome of each contract on an individual basis based on the proportion of costs incurred compared with the estimated total costs and reconsider these estimates at each balance sheet date.

Residential sales

Revenue from residential sales is recognised on completion. The allocation of cost to each sale is calculated by reference to the forecast costs to complete the projects and the proceeds from the sale of all apartments in a development having regard to external sales advice and knowledge of recent comparable transactions.

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****Derivative financial instruments**

The fair values of derivative financial instruments are provided by counter party financial institutions, which is level 2 of the fair value hierarchy.

For the year ended 31 December 2020, the financial statements of the company did not contain any significant items that required the application of judgements, apart from those involving estimation.

4. REVENUE

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Recharge revenue	27,217,176	-
Rental income	21,535	66,215
Property sales	543,425,632	156,168,880
Service charge revenue	5,182,560	2,224,652
Other revenue	495,372	556,379
	<u>576,342,276</u>	<u>159,016,125</u>

The recharge revenue is related to the recharge of costs to Braeburn Estates Developments (1) Limited, Braeburn Estates Developments (2) Limited and Braeburn Estates Developments (Infrastructure) Limited.

5. OPERATING PROFIT

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Operating profit/(loss) is stated after charging:		
Remuneration of the auditor:		
Audit fees for the audit of the Partnership	5,700	5,700
Audit of subsidiaries	37,000	34,000
Fees to the auditor for interim review	23,000	-
Total audit fees	<u>65,700</u>	<u>39,700</u>

No staff were employed by the Partnership during the year or the prior year.

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****6. FINANCE AND SIMILAR INCOME**

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Bank interest receivable	94,660	394,145
	<u>94,660</u>	<u>394,145</u>

7. FINANCE AND SIMILAR CHARGES

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Finance charges	3,262,987	2,649,630
	<u>3,262,987</u>	<u>2,649,630</u>

8. TAXATION

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Corporation tax		
Current tax on profits for the year	33,473	15,205
Total current tax	<u>33,473</u>	<u>15,205</u>
Deferred tax		
Origination and reversal of timing differences	35,602	139,782
Total deferred tax	<u>35,602</u>	<u>139,782</u>
Taxation on profits on ordinary activities	<u>69,075</u>	<u>154,987</u>

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Profit on ordinary activities before tax	<u>58,705,784</u>	<u>7,405,182</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	11,154,099	1,406,985
Effects of:		
Profit taxed in the accounts of the Partners	(11,085,024)	(1,251,998)
Taxation on profits on ordinary activities	<u>69,075</u>	<u>154,987</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Enacted in the Finance Act 2020 is a provision to hold the rate of corporation tax at 19.0% on 1 April 2020. Deferred tax has been provided by reference to this enacted corporation tax rate.

Following the year end, in the 2021 Budget, HM Treasury announced their intention to raise corporation tax to 25% in 2023.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. WORK IN PROGRESS

	31 December 2020 £	31 December 2019 £
At 1 January	835,088,849	765,687,615
Additions	96,790,638	221,912,604
Transferred to investment properties	(1,496,801)	–
Transferred to cost of sales	(507,127,281)	(145,606,048)
Transferred from/(to) payments on account	10,515,432	(6,905,322)
At 31 December	<u>433,770,837</u>	<u>835,088,849</u>

In 2015, the Partnership acquired the 999 year leasehold interest at the development site at Southbank Place, London. The costs allocated to the sale of 8 Casson Square and to the sale of apartments at Belvedere Gardens, One Casson Square and 30 Casson Square have been transferred to cost of sales.

10. INVESTMENT PROPERTIES

	Long term leasehold investment property £
VALUATION	
At 1 January 2020	826,841
Transferred from work in progress	1,496,801
Revaluation	(296,337)
At 31 December 2020	<u>2,027,305</u>

During the year, upon the completion of the building, the retail parts of 8 Casson Square were transferred from work in progress to investment properties.

At 31 December 2020 the company's property interests were valued externally by CB Richard Ellis Limited, qualified valuers with recent experience of retail properties at South Bank. The fair value was determined in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors, using:

- Discounted cash flow based on inputs provided by the company (current rents, terms and conditions of lease agreements) and assumptions and valuation models adopted by the valuers (estimated rental values, terminal values and discount rates).
- Yield methodology based on inputs provided by the company (current rates) and assumptions and valuation models adopted by the valuers (estimated rental values and market capitalisation rates).

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The resulting valuations are cross checked against the initial yields and the fair market values per square foot derived from actual market transactions.

No allowance was made for any expenses of realisation nor for any taxation which might arise in the event of disposal.

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020 £	2019 £
Historic cost	<u>1,501,242</u>	<u>4,441</u>

The fair value has been allocated to the following balance sheet items:

	2020 £
Leasehold properties	2,027,305
Lease incentives	87,750
Operating lease liabilities	(55)
Fair value	<u>2,115,000</u>

The retail unit at 20-38 York Road is let to Boom Cycle Waterloo Limited at a rent of £70,611 per annum which increases with RPI every 10 years. The lease expires on 25 March 2024. In addition, there are two storage units let to other tenants that expire on 1 July 2028.

The retail units at 8 Casson Square are unlet.

The future minimum payments under non-cancellable operating leases are as follows:

	2020 £
Within one year	86,781
In one to five years	241,535
After more than five years	-
	<u>328,316</u>

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****11. TRADE AND OTHER RECEIVABLES**

	31 December 2020 £	31 December 2019 £
Lease incentives	87,750	66,214
Trade receivables	11,037,604	27,415,225
Amounts owed by Braeburn Estates Developments (Infrastructure) Limited	62,385,672	43,495,478
Amounts owed by Braeburn Estates Developments Management Limited	1,978,920	—
Other debtors	16,594,120	1,819,430
Prepayments and accrued income	1,062,517	7,622,644
	<u>93,146,583</u>	<u>80,418,991</u>

Amounts owed by associated undertakings are interest free and repayable on demand.

12. TRADE AND OTHER PAYABLES

	31 December 2020 £	31 December 2019 £
Trade payables	15,060,308	18,315,172
Amounts owed to Braeburn Estates Developments (1) Limited	27,865,384	26,380,436
Amounts owed to Braeburn Estates Developments (2) Limited	45,835,007	44,425,746
Amounts owed to Braeburn Development Management Limited	—	1,336,733
Amounts owed to Braeburn Estates (GP) Limited	130,090	130,090
Amounts owed to Canary Wharf Group	29,333,122	20,395,739
Operating lease liability	55	55
Tax payables	26,256	11,721
Other payables	18,831,812	619,021
Accruals and deferred income	12,914,586	18,783,850
	<u>149,996,620</u>	<u>130,398,563</u>

Amounts owed to associated undertakings are interest free and repayable on demand.

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****13. RESIDENTIAL DEPOSITS**

	31 December 2020 £	31 December 2019 £
Deposits received	<u>25,720,938</u>	<u>86,719,138</u>

Deposits for residential sales comprise reservation fees and deposits for the purchase of apartments, net of related agents' fees.

14. PAYMENTS ON ACCOUNT

	31 December 2020 £	31 December 2019 £
Amounts received from construction contracts	333,681,950	357,995,068
Amounts transferred to turnover	(324,454,532)	(324,454,532)
Amounts transferred from work in progress	<u>12,348,857</u>	<u>1,833,425</u>
Payments on account: Construction contracts	21,576,275	35,373,961
Payments on account: Agreements for sale	-	55,252,422
	<u>21,576,275</u>	<u>90,626,383</u>

The Partnership has entered into forward sale agreements with Almacantar for 2 office properties within the Shell Centre redevelopment and has accounted for these agreements as construction contracts. Building 1 achieved practical completion in August 2018 and Building 2 in January 2019.

The Partnership also entered into a conditional contract with a fund to sell the private rental element of 8 Casson Square, a residential building at Southbank Place. This sale completed in 2 stages in July 2020 and October 2020.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

15. BANK LOANS

The Partnership had four construction facilities totalling £505.0m all of which have been utilised at 31 December 2020.

The four facilities related to the four residential buildings under development: Belvedere Gardens, One Casson Square, 30 Casson Square and 4 Casson Square.

The construction loan facility of £163.4m in relation to Belvedere Gardens carried interest at LIBOR plus 2.75%. The loan was repaid in full on 22 January 2020. 75.0% of the loan was hedged by interest rate swaps which, based on a notional drawdown profile, served to fix the interest rate at 3.583%. The remaining 25.0% of the loan was hedged by an interest rate cap, which served to restrict the interest rate to a maximum of 4.25%. Both hedging instruments expired on 22 January 2019.

The construction loan facility of £121.0m in relation to 30 Casson Square carried interest at LIBOR plus 3.25%. 75.0% of the loan was hedged by interest rate swaps which, based on a notional drawdown profile, served to fix the interest rate at 4.2325%. The loan was repaid in full on 10 July 2020. The swap expired on 22 April 2020.

The construction loan facility of £134.7m in relation to One Casson Square bears interest at LIBOR plus 2.75%. 75.0% of the loan was hedged by interest rate swaps which, based on a notional drawdown profile, serves to fix the interest rate at 3.963%. The swap expired on 22 January 2020. The loan was repaid in full on 22 April 2021.

The construction loan facility of £86m in relation to 8 Casson Square carried interest at LIBOR plus 2.75%. 75.0% of the loan was hedged by interest rate swaps which, based on a notional drawdown profile, served to fix the interest rate at 3.9205%. The loan was repaid in full on 14 July 2020. The swap expired on 22 April 2020.

Construction loan facilities are secured on the Partnership's developments (Note 9).

Details of the derivative financial instruments are set out in Note 16.

The carrying amount is analysed as follows:

	31 December 2020 £	31 December 2019 £
Drawings	48,149,225	304,222,500
Deferred fees	(593,790)	(2,272,125)
Carried forward	<u>47,555,435</u>	<u>301,950,375</u>

Accrued interest of £102,990 (2019: £2,612,351) has been included in accruals and deferred income.

The carrying value of the loans represents their fair value.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16. DERIVATIVE FINANCIAL INSTRUMENTS

The Partnership used interest rate swaps and caps to hedge exposure to the variability in cash flows on floating rate debt caused by movements in the market rates of interest.

At 31 December 2020 all three interest rate swaps which served to fix the interest on 75.0% of its loans in relation to: 30 Casson Square to 4.2325%, One Casson Square to 3.963% and 8 Casson Square to 3.9205% have expired. These swaps were classified as highly effective and qualified for hedge accounting. The cumulative fair value of the swaps at 31 December 2019 was a derivative liability of £131,913 together with accrued interest of £149,098

The following table shows the undiscounted cash inflows and outflows in relation to the Partnership's derivative financial instruments based on the Partnership's prediction of future movements in interest rates.

	2020 £	2019 £
Within one year	-	281,216
In one to 2 years	-	-
In 2 to 5 years	-	-
	<u>-</u>	<u>281,216</u>

Changes in interest rates would have affected the market value of derivative financial instruments. These changes would impact on the reserves for the swaps, which are highly effective. A 0.5% parallel shift in the interest rate curve used to value the derivatives, with all other variables held constant, would have the following impact:

	31 December 2020 £	31 December 2019 £
0.5% increase in interest rates		
Impact on hedging reserve	-	336,467
Impact on net assets	<u>-</u>	<u>336,467</u>

A -0.5% parallel shift in the interest rate curve used to value derivatives, with all other variables held constant would have the following impact:

	31 December 2020 £	31 December 2019 £
0.5% decrease in interest rates		
Impact on hedging reserve	-	(337,450)
Impact on net assets	<u>-</u>	<u>(337,450)</u>

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. FINANCIAL INSTRUMENTS

	31 December 2020 £	31 December 2019 £
Financial assets		
Trade and other receivables	75,402,196	70,910,703
Cash and cash equivalents	79,892,050	96,622,091
Financial assets measured at amortised cost	<u>155,294,246</u>	<u>167,532,794</u>
Financial liabilities		
Trade and other payables	(149,970,364)	(130,386,842)
Bank loans	(47,555,435)	(301,950,375)
Financial liabilities measured at amortised cost	<u>(197,525,799)</u>	<u>(432,337,217)</u>
Derivative instruments measured at fair value through profit or loss	-	(131,913)
	<u>(197,525,799)</u>	<u>(432,469,130)</u>

FINANCIAL RISKS

Interest rate risk

The Partnership has borrowed in sterling at floating rates of interest and used interest rate swaps and caps to generate the desired interest profile and to manage the Partnership's exposure to interest rate fluctuations. 75.0% of the Partnership's loans were fixed by interest rate swaps.

Liquidity risk

The Partnership's construction loans were drawn to fund the construction program. The remaining term of the loan remaining at 31 December 2020 was 0.31 years. This loan was repaid in full on 22 April 2021.

Loan covenants

The remaining, One Casson Square loan is subject to a maximum 60.0% Loan to value financial covenant. The covenant was satisfied throughout the year.

Credit risk

The Partnership restricts the counterparties with which derivative transactions can be contracted and cash balances deposited. This ensures that exposure is spread across a number of approved financial institutions with higher credit ratings.

The carrying amount of financial assets recorded in the financial statements represents the Partnership's maximum exposure to credit risk.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Externally imposed capital requirements

The Partnership is not subject to externally imposed capital requirements.

18. DEFERRED TAXATION

	2020 £
At the beginning of the year	(139,742)
Charged to profit or loss	(35,602)
At the end of year	(175,344)

The provision for deferred tax is made up as follows:

	2020 £	2019 £
Tax losses carried forward	-	66
Revaluation of investment property	(175,344)	(139,808)
	(175,344)	(139,742)

At 31 December 2020, there were unprovided deferred tax assets of £63 (2019: £114) relating to tax losses carried forward of £330 (2019: £672).

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****19. EQUITY**

	%	Capital Account £	Hedging Reserve £	Partner Advances £	Current Account £	Total Equity £
Braeburn Estates (GP) Limited	0.100	10	–	–	54,484	54,494
Class A: Canary Wharf (PB) Unit Trust	24.975	2,498	–	77,329,728	13,607,191	90,939,417
Class B: Canary Wharf (PB) Unit Trust	24.975	2,497	–	77,329,728	13,607,191	90,939,416
Class C: Project Russet Property Unit Trust	24.975	2,498	–	77,329,728	13,607,191	90,939,417
Class D: Project Russet Property Unit Trust	24.975	2,497	–	77,329,728	13,607,191	90,939,416
		<u>10,000</u>	<u>–</u>	<u>309,318,912</u>	<u>54,483,248</u>	<u>363,812,160</u>

20. RELATED PARTY TRANSACTIONS

During the year the Group incurred following costs from entities under common ownership:

	31 December 2020 £	31 December 2019 £
Costs		
Braeburn Estates Developments (1) Limited	10,257,537	4,530,319
Braeburn Estates Developments (2) Limited	10,235,767	7,822,923
Braeburn Estates (Infrastructure) Limited	17,547,888	–
Braeburn Estates Development Management Limited	293	1,131,607
	<u>38,041,485</u>	<u>13,484,849</u>

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Group has also made following recharges to entities under common ownership:

	31 December 2020 £	31 December 2019 £
Revenue		
Braeburn Estates Developments (1) Limited	6,518,998	-
Braeburn Estates Developments (2) Limited	6,406,679	-
Braeburn Estates (Infrastructure) Limited	14,306,218	-
	<u>27,231,895</u>	<u>-</u>

The Group incurred costs of £497,115 (2019: £448,266) from Canary Wharf Limited, £15,015,951 (2019: £5,159,601) from Canary Wharf Contractors Limited, £1,000,252 (2019: £Nil) from Canary Wharf Management Limited, £50,079 (2019: £Nil) from Canary Wharf Group Plc and £732,062 (2019: £Nil) from Canary Wharf Residential Management Limited, wholly owned subsidiaries of Canary Wharf Group plc.

The Group also incurred charges of £3,373 (2019: £140,325) from Canary Wharf Limited in respect of administrative services.

21. POST BALANCE SHEET EVENTS

Subsequent to the year-end, the construction loan taken for the development of One Casson Square was repaid in full in two instalments: on 22 January 2021, £30.2m was repaid and on 22 April 2021 the remaining £18.9m was repaid.

BRAEBURN ESTATES LIMITED PARTNERSHIP**PARTNERSHIP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Revenue	(d)	52,465,371	–
Cost of sales		(52,465,371)	–
Gross loss		–	–
Administrative expenses		(1,619,048)	(1,556,938)
Other operating income		1,099,487	1,490,994
Share of profit of partnerships	(i)	55,916,537	3,089,934
Provision against amounts owed by subsidiaries	(j)	(520,899)	
Operating profit/(loss)	(e)	54,876,077	3,023,990
Finance and similar income	(f)	26,852	307,305
Finance and similar charges	(g)	(20)	(25)
Profit/(Loss) on ordinary activities before tax		54,902,909	3,331,270
Taxation	(h)	–	–
Profit/(Loss) for the year		54,902,909	3,331,270
Other comprehensive income			
Revaluation of investments		45,425,750	37,712,045
Total comprehensive income		100,243,594	41,043,315

All amounts relate to continuing activities in the United Kingdom.

The Notes on pages 34 to 42 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP**PARTNERSHIP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	31 December 2020 £	31 December 2019 £
Non current assets			
Investments	(i)	142,059,325	40,802,103
Total non current assets		<u>142,059,325</u>	<u>40,802,103</u>
Current assets			
Trade and other receivables	(j)	480,782,810	514,706,035
Cash and cash equivalents		25,434,614	12,622,473
Total current assets		<u>506,217,424</u>	<u>527,328,508</u>
Total assets		<u>648,276,749</u>	<u>568,130,611</u>
Current liabilities			
Trade and other payables	(k)	(174,930,572)	(86,230,341)
Payments on account	(l)	(21,576,275)	-
Total current liabilities		<u>(196,506,847)</u>	<u>(86,230,341)</u>
Non current liabilities			
Payments on account	(l)	-	(35,373,961)
Total non current liabilities		<u>-</u>	<u>(35,373,961)</u>
Total liabilities		<u>(196,506,847)</u>	<u>(121,604,302)</u>
Net assets		<u>451,769,902</u>	<u>446,526,309</u>
Equity			
Capital accounts	(n)	10,000	10,000
Partner advances	(n)	309,318,912	404,318,913
Revaluation reserve	(n)	85,386,878	40,046,193
Partners' current accounts	(n)	57,054,112	2,151,203
		<u>451,769,902</u>	<u>446,526,309</u>

The Notes on pages 34 to 42 form an integral part of these financial statements.

Approved by the partners on 19 May 2021 and signed on their behalf by:

DocuSigned by:

 B Vickers
 DIRECTOR

DocuSigned by:

 42C9BE3003C74B7...
 M Ashraf
 DIRECTOR

On behalf of Braeburn Estates (GP) Limited

BRAEBURN ESTATES LIMITED PARTNERSHIP**PARTNERSHIP STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2020**

	Capital accounts £	Partner advances £	Revaluation reserve £	Current accounts £	Total equity £
At 1 January 2019	10,000	404,318,913	2,334,148	(1,180,067)	405,482,994
Profit for the year	–	–	–	3,331,270	3,331,270
Revaluation of investments	–	–	37,712,045	–	37,712,045
Total comprehensive income	–	–	37,712,045	3,331,270	41,043,315
At 31 December 2019	10,000	404,318,913	40,046,193	2,151,203	446,526,309
Profit for the year	–	–	–	54,902,909	54,902,909
Revaluation of investments	–	–	45,340,685	–	45,340,685
Total comprehensive income	–	–	45,340,685	54,902,909	100,243,594
Repayment of Partner advances	–	(95,000,001)	–	–	(95,000,001)
Other reserve movements	–	(95,000,001)	–	–	(95,000,001)
At 31 December 2020	10,000	309,318,912	85,386,878	57,054,112	451,769,902

The Notes on pages 34 to 42 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP**PARTNERSHIP CASH FLOW STATEMENT**

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Operating profit	54,876,077	3,023,990
Share of profit of Partnerships	(55,916,537)	(3,089,933)
Decrease/(increase) in receivables	33,923,225	(36,476,632)
Increase/(decrease) in payables	74,902,545	(22,797,875)
Net cash flows from operating activities	107,785,310	(59,340,450)
Cash flows from investing activities		
Interest received	26,852	307,305
Interest paid	(20)	(25)
Net cash flows from investing activities	26,832	307,280
Cash flows from financing activities		
Repayment of partner advances	(95,000,001)	–
Net cash flows from financing activities	(95,000,001)	–
Net movements in cash and cash equivalents	12,812,141	(59,033,170)
Cash and cash equivalents at the start of the year	12,622,473	71,655,643
Cash and cash equivalents at the end of the year	25,434,614	12,622,473

The Notes on pages 34 to 42 form an integral part of these financial statements.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(a) PRINCIPAL ACCOUNTING POLICIES

General information

Braeburn Estates Limited Partnership is an English Limited Partnership registered at One Canada Square, Canary Wharf, London E14 5AB.

In July 2011, entities owned by Canary Wharf Group plc and Qatari Diar Real Estate Investment Company ('Qatari Diar') formed the Partnership to redevelop the Shell Centre, a 5.25 acre site on the South Bank in London.

The Partnership agreed to pay £300.0m to secure the site on a 999 year lease. Of this total, £30.0m was paid on exchange of the agreement with Shell and the balance was conditional on planning permission being received. The Partnership acquired the site in July 2015, following the successful conclusion of the planning process.

On 23 March 2018 Canary Wharf Group plc sold its interest in the Shell Centre to Canary Wharf Group Residential Limited as a part of a group reorganisation.

The development is mixed use, comprising office, residential and retail space, which is regenerating an important section of the South Bank in central London. In total, the redevelopment will comprise 530,000 sq. ft. of office space, 43,000 sq. ft. of retail, restaurants, cafes and a health club; and 830,000 sq. ft. of residential, creating 877 apartments in 5 buildings.

The partnership entered into forward sale agreements with Almacantar for 2 office properties within the Shell Centre redevelopment and has accounted for these agreements as construction contracts. Building 1 achieved practical completion in August 2018 and Building 2 in January 2019.

Accounting convention

The financial statements have been prepared in accordance with international accounting standards in conformity with requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by IASB.

The following new and revised accounting standards and interpretations have been adopted by the Partnership in 2020. Their adoption has not had any significant impact on the amounts reported in these financial statements, but may impact the accounting for future transactions and arrangements:

- Amendments to IFRS 3 Business Combinations: Definition of a business
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to References to the Conceptual Framework in IFRS Standards
- Interest Rate Benchmark Reform (amendments to IFRS9, IAS 39 and IFRS 7)
- COVID-19 Related Rent Concessions (amendments to IFRS 16).

At 31 December 2020, a number of new standards, amendments to standards and interpretations have been issued by the IASB but are not effective for this year end.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The partners anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the Partnership.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Partnership's accounting policies (see Note b).

Replacement of LIBOR as an interest rate

It is anticipated that LIBOR will be replaced or discontinued after the end of 2021, as part of global financial regulators' project to reform interest rate benchmarks. However, as the Group's remaining construction facility was repaid in April 2021, the transition to new benchmark interest rates is not considered to be a significant issue for the group.

(b) ACCOUNTING POLICIES

The principal accounting policies are summarised below:

Going Concern

The Partnership is in a net asset position at the year end.

Having made the requisite enquiries and assessed the resources at the disposal of the Partnership, the Partners have a reasonable expectation that the Partnership will have adequate resources to continue its operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The impact of COVID-19

Since March 2020 the UK economy has been significantly impacted by the COVID-19 virus which has caused widespread disruption and economic uncertainty. Although the crisis has had a significant impact on the business as a result of reduced availability of labour and supplies impacting on the ability to complete remaining projects on schedule, it has not affected the Partnership's ability to continue its operations for the foreseeable future.

Revenue

Rental income from operating leases is recognised in the Income Statement on a straight line basis over the term of the lease.

Revenue from property sales is recognised, on completion, when the significant risks and returns pass to the acquirer.

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts.

Recharge revenue includes construction expenditure recoverable from other associated undertakings.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Investments

Investments in subsidiaries are stated at cost less any provision for impairment.

Investments in partnerships are stated at fair value, with changes recognised in other comprehensive income unless the carrying amount of the investment falls below its original cost, after which the deficit is recognised in the income statement.

Income from investments is recognised as the company becomes entitled to receive payment. Dividend income from investments in companies is recognised when received or irrevocably declared. Revenue profits and losses from partnerships are recognised on an accruals basis.

Work in progress

Work in progress is stated at the lower of cost and net realisable value. Cost includes construction costs and development expenditure directly related to the development. Net realisable value is calculated as the amount estimated to be recovered from the development once development work has been completed, less costs to complete.

Construction contracts

Construction contracts consist of properties that are being constructed in accordance with long term development contracts and for which the detailed design specification of each building is agreed with the purchaser. Where applicable the contracts are split into 3 component parts: sale of land, completed construction works at the date of entering into the contracts; and on going construction contracts.

Revenue on sale of land and completed construction works is recognised at the point when the control is transferred to the buyer.

Revenue on construction contracts is recognised according to the stage reached in the contract using the percentage completion method. The percentage of completion is calculated by reference to costs incurred on the building compared with the estimated total costs. The gross amount due comprises costs incurred plus recognised profits less the sum of recognised losses and progress billings. Where the sum of recognised losses and progress billings exceeds costs incurred plus recognised profits, the amount is shown as payments on account.

If it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised immediately as an expense.

Financial Instruments

Trade and other receivables

Debtors are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the Partnership will not be able to collect all amounts due according to the original terms of the debtor concerned.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held with banks and other short term highly liquid investments with original maturities of 3 months or less, which are held for the purpose of meeting short term cash commitments.

Trade and other payables

Trade and other payables are stated at cost.

(c) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The preparation of financial statements also requires use of judgements, apart from those involving estimation, that management makes in the process of applying the entity's accounting policies.

Valuation of investments

Investments in partnerships are carried at fair value. The directors have valued the investment at the Partnership's share of the partnerships' net asset value, as adjusted for the fair value of the partnerships' property interests.

Construction contracts

Revenue on construction contracts is recognised according to the stage reached in the contract using the percentage completion method. The directors estimate the outcome of each contract on an individual basis on the proportion of costs incurred compared with the estimated total costs at each balance sheet date.

For the year ended 31 December 2020, the financial statements of the company did not contain any significant items that required the application of judgements, apart from those involving estimation.

(d) REVENUE

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Recharge revenue	52,465,371	-
	<u>52,465,371</u>	<u>-</u>

Recharge revenue related to the recharge of costs to associated and subsidiary undertakings.

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****(e) OPERATING PROFIT**

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Operating profit/(loss) is stated after charging:		
Remuneration of the auditor:		
Audit fees for the audit of the Partnership	5,700	5,700
Audit of subsidiaries	37,000	34,000
Fees to the auditor for interim review	23,000	-
Total audit fees	<u>65,700</u>	<u>39,700</u>

No staff were employed by the Partnership during the year or the prior year.

(f) FINANCE AND SIMILAR INCOME

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Bank interest receivable	26,852	307,305
	<u>26,852</u>	<u>307,305</u>

(g) FINANCE AND SIMILAR CHARGES

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Bank charges	20	25
	<u>20</u>	<u>25</u>

(h) TAXATION

No provision for tax has been made as the income earned by the Partnership is taxable in the accounts of the partners.

BRAEBURN ESTATES LIMITED PARTNERSHIP

NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(i) INVESTMENTS

	£
COST OR VALUATION	
At 1 January 2020	40,802,103
Revaluation	45,340,685
Share of profits	55,916,537
At 31 December 2020	<u>142,059,325</u>

Investments comprise shares held directly and indirectly in the following subsidiaries:

	Directly held %	Indirectly held %	Description of shares	Principal activities
Braeburn Estates Management Company Limited	12.50	62.50	Ordinary £1 shares	Property management
Braeburn Estates B3 (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates B3 (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates (B3) Limited Partnership	99.99	0.01	Partnership capital	Property development
Braeburn Estates (B3) T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates (B3) T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates B4A (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates B4A (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates (B4A) Limited Partnership	99.99	0.01	Partnership capital	Property development
Braeburn Estates (B4A) T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates (B4A) T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates B4B (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates B4B (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates (B4B) Limited Partnership	99.99	0.01	Partnership capital	Property development
Braeburn Estates (B4B) T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates (B4B) T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates B5 (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates B5 (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates (B5) Limited Partnership	99.99	0.01	Partnership capital	Property development
Braeburn Estates (B5) T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates (B5) T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates B6/7 (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates B6/7 (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates (B6/7) Limited Partnership	99.99	0.01	Partnership capital	Property development
Braeburn Estates (B6/7) T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates (B6/7) T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates Retail Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (Hungerford) Limited	100.00	–	Ordinary £1 shares	Property contractor
Braeburn Estates (Lollard Street) Limited	100.00	–	Ordinary £1 shares	Property contractor
Braeburn Estates (B3) Residential Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (B4A) Residential Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (B4B) Residential Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (B5) Residential Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (B6/7) Residential Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (B3) Retail Limited	100.00	–	Ordinary £1 shares	Property development
Braeburn Estates (AH) Limited	100.00	–	Ordinary £1 shares	Property contractor
Southbank Place Energy Company Limited	100.00	–	Ordinary £1 shares	Energy provider
Braeburn Estates Retail (GP) Limited	100.00	–	Ordinary £1 shares	General partner
Braeburn Estates Retail (LP) Limited	100.00	–	Ordinary £1 shares	Limited partner
Braeburn Estates Retail T1 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates Retail T2 Limited	–	100.00	Ordinary £1 shares	Trustee company
Braeburn Estates Retail Limited Partnership	99.99	0.01	Partnership capital	Property development

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

All of the subsidiaries are incorporated in England and Wales.

(j) TRADE AND OTHER RECEIVABLES

	31 December 2020 £	31 December 2019 £
Amounts owed by subsidiaries	223,380,827	294,029,440
Amounts owed by Braeburn Estates Developments (Infrastructure) Limited	246,580,196	209,851,600
Amounts owed by Braeburn Estates Developments Management Limited	9,841,362	9,825,132
Other debtors	-	926,550
Prepayments and accrued income	64,500	47,700
Trade debtors	915,925	25,613
	<u>480,782,810</u>	<u>514,706,035</u>

The amount owed by subsidiaries is stated net of a provision of £520,899 (2019 - £nil) against a subsidiary in a net liability position.

Amounts owed by subsidiaries and associates are interest free and repayable on demand.

(k) TRADE AND OTHER PAYABLES

	31 December 2020 £	31 December 2019 £
Trade payables	-	-
Amounts owed to subsidiaries	64,153,055	-
Amounts owed to Braeburn Estates Developments (1) Limited	31,213,285	29,645,012
Amounts owed to Braeburn Estates Developments (2) Limited	49,090,549	47,600,263
Amounts owed to Braeburn Estates (GP) Limited	130,090	130,090
Amounts owed to Canary Wharf Group	25,477,392	7,871,853
Other payables	4,776,156	2,011
Accruals and deferred income	90,045	981,112
	<u>175,930,572</u>	<u>86,230,341</u>

Amounts owed to subsidiaries and associates are interest free and repayable on demand.

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****(I) PAYMENTS ON ACCOUNT**

	31 December 2019 £	31 December 2019 £
Amounts received from construction contracts	333,681,950	357,995,068
Amounts transferred from work in progress	12,348,856	1,833,425
Amounts transferred to turnover	(324,454,531)	(324,454,532)
	<u>21,576,275</u>	<u>35,373,961</u>

The partnership entered into forward sale agreements with Almacantar for 2 office properties within the Shell Centre redevelopment and has accounted for these agreements as construction contracts. Building 1 achieved practical completion in August 2018 and Building 2 in January 2019.

(m) FINANCIAL INSTRUMENTS

	31 December 2020 £	31 December 2019 £
Financial assets		
Trade and other receivables	480,718,310	513,731,785
Cash and cash equivalents	25,434,614	12,622,473
	<u>506,152,924</u>	<u>526,354,258</u>
Financial liabilities		
Trade and other payables	(174,930,572)	(86,230,341)
Financial liabilities measured at amortised cost	<u>(174,930,572)</u>	<u>(86,230,341)</u>

BRAEBURN ESTATES LIMITED PARTNERSHIP**NOTES TO THE PARTNERSHIP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****(n) CAPITAL AND RESERVES**

	%	Capital account £	Partner advances £	Revaluation reserve £	Current Account £	Total £
Braeburn Estates (GP) Limited	0.100	10	-	85,386	57,054	142,450
Class A: Canary Wharf (PB) Unit Trust	24.975	2,498	77,329,728	21,325,373	14,249,264	112,906,863
Class B: Canary Wharf (PB) Unit Trust	24.975	2,497	77,329,728	21,325,373	14,249,265	112,906,863
Class C: Project Russet Property Unit Trust	24.975	2,498	77,329,728	21,325,373	14,249,264	112,906,863
Class D: Project Russet Property Unit Trust	24.975	2,497	77,329,728	21,325,373	14,249,265	112,906,863
		<u>10,000</u>	<u>309,318,912</u>	<u>85,386,878</u>	<u>57,054,112</u>	<u>451,769,902</u>

(o) RELATED PARTY TRANSACTIONS

During the year the Partnership incurred the following costs from entities under common ownership:

	31 December 2020 £	31 December 2019 £
Costs		
Braeburn Estates Developments (1) Limited	10,257,537	4,530,319
Braeburn Estates Developments (2) Limited	10,235,767	7,822,923
	<u>20,493,304</u>	<u>12,353,242</u>

During the year the Partnership made following recharges to entities under common ownership:

	31 December 2020 £	31 December 2019 £
Recharges		
Braeburn Estates Developments (1) Limited	5,207,295	—
Braeburn Estates Developments (2) Limited	5,063,641	—
Braeburn Estates Developments (Infrastructure) Limited	14,306,218	—
	<u>24,577,154</u>	<u>—</u>