

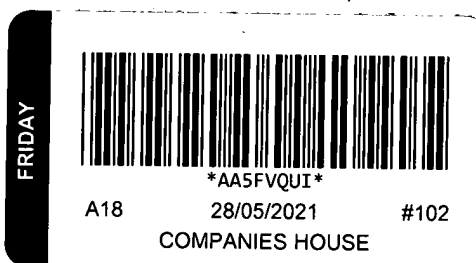


BRAEBURN ESTATES B3 (GP) LIMITED

Registered number: 8756476

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



BRAEBURN ESTATES B3 (GP) LIMITED

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BRAEBURN ESTATES B3 (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 to Braeburn Estates (B3) Limited Partnership.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,219 (2019 - loss £90).

No dividends have been 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)
A R J Vallintine (appointed 31 December 2020)
B Vickers (appointed 31 March 2020)

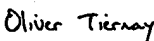
The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during 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 AUDITORS

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 auditors are 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 auditors are aware of that information.

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

DocuSigned by:

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O J Tiernay
Secretary

BRAEBURN ESTATES B3 (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 are required to prepare the financial statements 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. 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 B3 (GP) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES B3 (GP) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion the financial statements of Braeburn Estates B3 (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 13.

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 B3 (GP) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES B3 (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 B3 (GP) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES B3 (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 B3 (GP) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES B3 (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

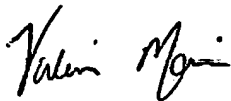
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 B3 (GP) LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Share of profit/(loss) in partnership	7	1,502	(108)
LOSS BEFORE TAX		<u>1,502</u>	<u>(108)</u>
Tax on profit/(loss)	6	(283)	18
LOSS FOR THE FINANCIAL YEAR		<u>1,219</u>	<u>(90)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Unrealised (deficit)/surplus on revaluation of tangible fixed asset investment		(312)	312
Tax credit/(charge) on revaluation of fixed asset investments		53	(53)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		<u>(259)</u>	<u>259</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>960</u>	<u>169</u>

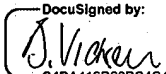
The notes on pages 10 to 16 form part of these financial statements.

BRAEBURN ESTATES B3 (GP) LIMITED
REGISTERED NUMBER:8756476

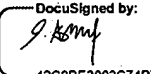
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	7	1,396	206
		<u>1,396</u>	<u>206</u>
CURRENT ASSETS			
Trade and other receivables	8	1	1
		<u>1</u>	<u>1</u>
Trade and other payables	9	(267)	(2)
NET CURRENT LIABILITIES		<u>(266)</u>	<u>(1)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,130</u>	<u>205</u>
Deferred tax	11	-	(35)
NET ASSETS		<u>1,130</u>	<u>170</u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Revaluation reserve		-	259
Retained earnings		1,129	(90)
		<u>1,130</u>	<u>170</u>

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

DocuSigned by:

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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 B3 (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	1	259	(90)	170
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	1,219	1,219
Deficit on revaluation of other fixed assets	-	(259)	-	(259)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	(259)	-	(259)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(259)	1,219	960
AT 31 DECEMBER 2020	1	-	1,129	1,130

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

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

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	1	-	-	1
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(90)	(90)
Surplus on revaluation of other fixed assets	-	259	-	259
AT 31 DECEMBER 2019	1	259	(90)	170

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

BRAEBURN ESTATES B3 (GP) LIMITED

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

1. GENERAL INFORMATION

Braeburn Estates B3 (GP) Limited is a private company limited by shares incorporated in the UK under the Companies Act 2006 and registered in England and Wales 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 Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretations as adopted by the EU and the Companies Act 2006 applicable to companies reporting under IFRS.

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, but has net current liabilities.

The company is part of the Braeburn Estates Limited Partnership group which manages its cash flows on a unified basis.

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.

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. The crisis had no material impact on the assets, liabilities or performance of the company during the year.

BRAEBURN ESTATES B3 (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 accordingly has not produced a cash flow statement.

2.4 Investments

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

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. Dividend income from investments in companies is recognised when received or irrevocably declared. Revenue profits and losses in partnerships are recognised on an accruals basis.

2.5 Financial instruments

Trade and other receivables

Trade and other receivables 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 B3 (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****3. CRITICAL ACCOUNTING JUDGMENTS 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, as adjusted for the fair value of the Partnership's property interest.

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. AUDITORS' REMUNERATION

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).

6. TAXATION

	2020 £	2019 £
CORPORATION TAX		
Current tax on profits for the year	265	-
TOTAL CURRENT TAX	<u>265</u>	<u>-</u>
DEFERRED TAX		
Origination and reversal of timing differences	18	(18)
TOTAL DEFERRED TAX	<u>18</u>	<u>(18)</u>
TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u><u>283</u></u>	<u><u>(18)</u></u>

BRAEBURN ESTATES B3 (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****6. TAXATION (CONTINUED)****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/(loss) on ordinary activities before tax	1,502	(108)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	285	(21)
EFFECTS OF:		
Changes to the rates of tax	(1)	3
Non-taxable income	(1)	-
TOTAL TAX CHARGE/(CREDIT) FOR THE YEAR	283	(18)

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 for entities with profits greater than £250,000.

BRAEBURN ESTATES B3 (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****7. INVESTMENTS**

	Investments in subsidiary companies £	Investment in partnership £	Total £
COST OR VALUATION			
At 1 January 2020	2	204	206
Revaluation release	-	(312)	(312)
Share of profit/(loss)	-	1,502	1,502
At 31 December 2020	<u>2</u>	<u>1,394</u>	<u>1,396</u>

As a general partner, the company has contributed 1p of the capital of the Braeburn Estates (B3) Limited Partnership, an English Limited Partnership, which equates to 0.01% of the Partnership capital. The Partnership was established to develop one of the buildings at Southbank Place in London.

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Braeburn Estates (B3) T1 Limited	Trustee company	ordinary £1 shares	100%
Braeburn Estates (B3) T2 Limited	Trustee company	ordinary £1 shares	100%

The subsidiaries are registered at One Canada Square, Canary Wharf, London, E14 5AB.

8. TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Amounts owed by Braeburn Estates Limited Partnership	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

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

BRAEBURN ESTATES B3 (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****9. TRADE AND OTHER PAYABLES**

	2020 £	2019 £
Amounts owed to group undertakings	2	2
Corporation tax	265	-
	<u>267</u>	<u>2</u>

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

10. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets that are debt instruments measured at amortised cost	<u>1</u>	<u>1</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(2)</u>	<u>(2)</u>

Financial assets measured at amortised cost comprise group receivables.

Financial liabilities measured at amortised cost comprise group payables.

11. DEFERRED TAXATION

	2020 £
At beginning of year	(35)
Charged to profit or loss	(18)
Charged to other comprehensive income	53
AT END OF YEAR	<u>-</u>

BRAEBURN ESTATES B3 (GP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****11. DEFERRED TAXATION (CONTINUED)**

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Tax losses carried forward	-	18
Revaluation surplus	-	(53)
	<u>-</u>	<u>(35)</u>

At 31 December 2020 there was an unprovided tax asset of £Nil (2019: £17) relating to tax losses carried forward of £NIL (2019: £101).

12. SHARE CAPITAL

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 - 1) ordinary share of £1.00	<u>1</u>	<u>1</u>

13. CONTROLLING PARTY

The company's immediate parent undertaking is Braeburn Estates (GP) Limited for and on behalf of Braeburn Estates Limited Partnership.

As at 31 December 2020, the smallest and largest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Braeburn Estates Limited Partnership. Braeburn Estates Limited Partnership is a joint venture between Project Russet Property Unit Trust and Canary Wharf (PB) Unit Trust. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London, E14 5AB.



BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

Registered number: LP015776

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

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BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

**GENERAL PARTNER'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Braeburn Estates (B3) Limited Partnership was registered as an English limited partnership on 12 November 2013 and comprises one General Partner and one Limited Partner. The Partners are incorporated in England and Wales.

The Limited Partnership Deed dated 8 November 2013 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 judgments 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 partnership will continue in business.

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 Partnership (Accounts) Regulations 2008.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

REPORT ON THE AUDIT OF THE NON-STATUTORY FINANCIAL STATEMENTS

OPINION

In our opinion the non-statutory financial statements of Braeburn Estates (B3) Limited Partnership (the 'Partnership');

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2020 and of its 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 properly prepared in accordance with the Partnership Deed.

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

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the cash flow statement;
- the related notes 1 to 19.

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 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 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 (B3) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

OTHER INFORMATION

The other information comprises the information included in the financial statements, 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 financial statements. 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 PARTNERS

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 General Partner either intends 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 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES (B3) 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 Partnership'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 in-house 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 (B3) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

USE OF OUR REPORT

This report is made solely for the exclusive use of the partners and solely for the purpose set out in our 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.

Deloitte LLP

Deloitte LLP
London, United Kingdom
19 May 2021

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	198,026,491	-
Cost of sales		(182,966,859)	-
GROSS PROFIT		15,059,632	-
Administrative expenses		(110,501)	(51,918)
OPERATING PROFIT/(LOSS)		14,949,131	(51,918)
Loss on disposal of investment	9	(1)	-
Interest receivable and similar income	7	2,963	22,987
PROFIT/(LOSS) BEFORE TAX		14,952,093	(28,931)
Tax on profit/(loss)	8	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		14,952,093	(28,931)
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Fair value movement of effective hedging instrument		74,777	14,674
OTHER COMPREHENSIVE INCOME FOR THE YEAR		74,777	14,674
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		15,026,870	(14,257)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

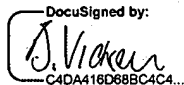
The notes on pages 10 to 19 form part of these financial statements.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP
REGISTERED NUMBER: LP015776

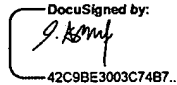
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	9	-	1
		-	1
CURRENT ASSETS			
Work in progress	10	-	145,974,339
Trade and other receivables	11	64,569,580	49,792,053
Cash at bank and in hand	12	410,826	95,459
		64,980,406	195,861,851
Trade and other payables	13	(51,038,300)	(196,946,616)
NET CURRENT ASSETS/(LIABILITIES)		13,942,106	(1,084,765)
TOTAL ASSETS LESS CURRENT LIABILITIES		13,942,106	(1,084,764)
NET ASSETS/(LIABILITIES)		13,942,106	(1,084,764)
CAPITAL AND RESERVES			
Capital accounts		100	100
Hedging reserve	17	-	(74,777)
Current accounts	17	13,942,006	(1,010,087)
		13,942,106	(1,084,764)

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

DocuSigned by:

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B Vickers
 Director

DocuSigned by:

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M Ashraf
 Director

On behalf of Braeburn Estates B3 (GP) Limited

The notes on pages 10 to 19 form part of these financial statements.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Capital accounts	Hedging reserve	Current accounts	Total equity
	£	£	£	£
At 1 January 2020	100	(74,777)	(1,010,087)	(1,084,764)
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	14,952,093	14,952,093
Fair value movement of effective hedging instrument	-	74,777	-	74,777
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	74,777	14,952,093	15,026,870
AT 31 DECEMBER 2020	100	-	13,942,006	13,942,106

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

	Capital accounts	Hedging reserve	Current accounts	Total equity
	£	£	£	£
At 1 January 2019	100	(89,451)	(981,156)	(1,070,507)
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(28,931)	(28,931)
Fair value movement of effective hedging instrument	-	14,674	-	14,674
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	14,674	(28,931)	(14,257)
AT 31 DECEMBER 2019	100	(74,777)	(1,010,087)	(1,084,764)

The notes on pages 10 to 19 form part of these financial statements.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial year	14,952,093	(28,931)
ADJUSTMENTS FOR:		
Decrease/(increase) in stocks	145,974,339	(33,570,217)
Increase in debtors	(14,777,526)	(49,088,100)
(Decrease)/increase in creditors	(80,893,028)	25,997,994
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>65,255,878</u>	<u>(56,689,254)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of secured loans	12,895,855	52,566,506
Repayment of loans	(77,836,366)	-
NET CASH USED IN FINANCING ACTIVITIES	<u>(64,940,511)</u>	<u>52,566,506</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	315,367	(4,122,748)
Cash and cash equivalents at beginning of year	95,459	4,218,207
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>410,826</u>	<u>95,459</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	410,826	95,459
	<u>410,826</u>	<u>95,459</u>

The notes on pages 10 to 19 form part of these financial statements.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

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

1. GENERAL INFORMATION

Braeburn Estates (B3) Limited Partnership is an English Limited Partnership registered at One Canada Square, Canary Wharf, London E14 5AB.

The Partnership is the developer for a residential development at Southbank Place, London.

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 and International Financial Reporting Standards as issued by the 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 Partnership's accounting policies (see Note 3).

The principal accounting policies are summarised below:

2.2 Going Concern

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 projects on schedule, it has not affected the Partnership's ability to continue its operations for the foreseeable future.

2.3 Revenue

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

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Investments

Loans to investments which only entitle the Partnership to an interest in residual assets once the investment has completed its principal activity are treated as additional investments.

Investments are stated at cost less any provision for impairment.

Income from investments is recognised as the Partnership becomes entitled to receive payment.

2.5 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, including attributable employee and related costs.

Net realisable value is calculated as the amount estimated to be recovered from the development once development work has been completed and the development leased, less costs to complete.

2.6 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.

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 creditors are stated at cost.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP

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

2. ACCOUNTING POLICIES (CONTINUED)

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 the 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.

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 for its economic relationship, effects of credit risk and hedge ratio. This shows that the hedge will be effective on an on-going basis. The effectiveness testing is re-performed at each balance sheet date to ensure that the hedge remains 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 Partnership 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 recognised in equity is retained until 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.

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.

For the year ended 31 December 2020, there were no items which the Partners believe are significant to the financial statements.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****4. TURNOVER**

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Sale of private rental component of the building	171,215,625	-
Sale of affordable component of the building	16,729,202	-
Sale of retail underlease	1,620,000	-
Recharge revenue - ticket hall and station	8,461,664	-
	<u>198,026,491</u>	<u>-</u>

During the year, the Partnership completed construction of its residential development at 8 Casson Square, Southbank and disposed of the component parts.

A 250 year lease was granted over the affordable housing element to Notting Hill Genesis for a consideration of £16.7 million.

A 999 year lease was granted to London Underground Limited for the ticket hall and station to satisfy planning obligations. Accordingly a proportion of the associated costs have been recharged to other Southbank developments.

A 994 year lease of the retail unit was granted to Braeburn Estates Retail Limited Partnership, a fellow subsidiary undertaking, for a consideration of £1.62 million.

A 999 year overriding lease of the whole building, including the beneficial interest in the private rental component of the building, was sold to Southbank Property Investment LLP for a consideration of £171.2 million.

5. AUDITORS' REMUNERATION

The auditor's remuneration of £6,240 (2019: £6,736) for the audit of the Partnership has been borne by Braeburn Estates Limited Partnership.

6. EMPLOYEES

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

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Bank interest receivable	2,963	22,987
	<u>2,963</u>	<u>22,987</u>

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****8. TAXATION**

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

9. FIXED ASSET INVESTMENTS

	Investments £
COST	
At 1 January 2020	1
Disposals	(1)
	<hr/>
At 31 December 2020	-
	<hr/> <hr/>

On 12 September 2014, the Partnership subscribed for 1 A Share in Braeburn Estates Management Company Limited, a company registered in England and Wales. Braeburn Estates Management Company Limited is jointly owned by members of the Braeburn Estates Limited Partnership group.

On 14 July 2020, the 1 A Share in Braeburn Estates Management Company Limited was transferred to Southbank Property Investment LLP in connection with the sale of 8 Casson Square (Note 4). A loss on disposal of £1 has been recognised in the statement of comprehensive income.

10. WORK IN PROGRESS

	2020 £	2019 £
Work in progress at cost	-	145,974,339
	<hr/>	<hr/>
	-	145,974,339
	<hr/> <hr/>	<hr/> <hr/>

Work in progress movements in the year are as follows:

	2020 £	2019 £
Brought forward	145,974,339	112,404,122
Additions	36,992,520	33,570,217
Release to cost of sales	(182,966,859)	-
	<hr/>	<hr/>
	-	145,974,339
	<hr/> <hr/>	<hr/> <hr/>

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Partnership and its partners are wholly owned subsidiaries of Braeburn Estates Limited Partnership. In July 2015, Braeburn Estates Limited Partnership acquired a 5.25 acre site at Southbank Place on a 999 year lease. The Partnership then acquired from Braeburn Estates Limited Partnership a 999 year lease over a residential development site for a consideration of £22,302,484.

Included in additions in the period is £3,062,395 (2019: £5,803,391) of capitalised finance costs.

During the year, the Partnership completed the sale of each component of the building as described in Note 4.

11. TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Trade debtors	66,716	-
Amounts owed by group undertakings	64,132,476	49,608,862
Amounts owed by associated entities	3,199	-
Other receivables	333,880	125,845
Prepayments and accrued income	33,309	57,346
	<u>64,569,580</u>	<u>49,792,053</u>

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

Amounts owed by associated entities comprise:

	2020 £	2019 £
Amounts owed by Canary Wharf Contractors Limited	3,199	-
	<u>3,199</u>	<u>-</u>

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

12. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Bank account	410,826	95,459
	<u>410,826</u>	<u>95,459</u>

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****13. TRADE AND OTHER PAYABLES**

	2020 £	2019 £
Bank loans (Note 13)	-	63,935,759
Payments received on account	-	55,252,422
Trade payables	5,206,588	7,672,974
Amounts owed to group undertakings	2,309,013	39,951,423
Amounts owed to associated entities	25,819,145	27,033,138
Other taxation and social security	11,534,564	-
Accruals and deferred income	6,168,990	3,026,123
Derivative financial instruments (Note 14)	-	74,777
	<u>51,038,300</u>	<u>196,946,616</u>

On 14th July 2020 the Partnership entered into an agreement to sell the private rental component of the building it was developing to a third party purchaser for which a payment on account was received. This sale agreement was completed in the year.

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

Amounts owed to associated entities consist of the following amounts due to:

	2020 £	2019 £
Braeburn Estates Development Management Limited	915,937	1,835,698
Braeburn Estates Developments (Infrastructure) Limited	24,903,208	22,487,172
Canary Wharf Limited	-	1,168,792
Canary Wharf Contractors Limited	-	1,541,476
	<u>25,819,145</u>	<u>27,033,138</u>

All amounts owed to associated entities are interest free and repayable on demand.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****14. BANK LOANS**

The Partnership's £86 million construction loan facility, which carried interest at LIBOR plus 2.75%, was repaid during the year on 14 July 2020. The loan facility was secured on the Partnership's development (Note 10).

75% 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 swap expired on 14 July 2020.

The carrying amount of the loan comprises:

	2020 £	2019 £
Brought forward	63,935,759	-
Drawings	12,895,855	64,940,510
Deferred fees	1,004,752	(1,004,751)
Repaid	(77,836,366)	-
Carried forward	-	63,935,759

Accrued interest of £Nil (2019: £565,184) has been included in accruals and deferred income.

15. DERIVATIVE FINANCIAL INSTRUMENTS

The Partnership entered into interest rate swaps which served to fix the interest on 75% of its loan to a rate of 3.9205%. These swaps were classified as highly effective and qualified for hedge accounting. The swap expired in the year on the repayment of the loan on 14 July 2020. The fair value of the swaps at 31 December 2019 was £74,777 (liability).

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

16. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets that are debt instruments measured at amortised cost	64,536,271	49,608,862
Bank current accounts	410,826	95,459
	64,947,097	49,704,321
FINANCIAL LIABILITIES		
Derivative financial instruments	-	(74,777)
Financial liabilities measured at amortised cost	(51,038,299)	(141,619,417)
	(51,038,299)	(141,694,194)

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****FINANCIAL RISKS****Interest rate risk**

The Partnership borrowed in sterling at floating rates of interest and used interest rate swaps to generate the desired interest profile to manage the Partnership's exposure to interest rate fluctuations. 75% of the Partnership's debt was fixed by interest rate swaps. The loan was repaid in the year on 14 July 2020.

Liquidity risk

The Partnership's construction loan was drawn to fund the construction program. The loan was repaid in the year on 14 July 2020 following practical completion of the building.

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.

Externally imposed capital requirements

The Partnership is not subject to externally imposed capital requirements.

17. EQUITY

		Capital accounts £	Hedging reserve £	Current account £	Total £
	%				
Braeburn Estates B3 (LP) Limited	99.990	100	-	13,940,613	13,940,713
Braeburn Estates B3 (GP) Limited	0.010	-	-	1,394	1,394
		<u>100</u>	<u>-</u>	<u>13,942,007</u>	<u>13,942,107</u>

Braeburn Estates B3 (LP) Limited holds its investment in the Partnership on trust for Braeburn Estates Limited Partnership.

BRAEBURN ESTATES (B3) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****18. RELATED PARTY TRANSACTIONS**

During the year the Partnership incurred the following costs and revenues from the entities under common control:

	2020 £	2019 £
Costs		
Braeburn Estates Developments (Infrastructure) Limited	3,832,663	-
Braeburn Estates Development Management Limited	-	300,307
	<u>3,832,663</u>	<u>300,307</u>
Revenue		
	2020 £	2019 £
Braeburn Estates Developments (1) Limited	1,311,703	-
Braeburn Estates Developments (2) Limited	1,275,517	-
	<u>2,587,220</u>	<u>-</u>

The Partnership incurred costs of £Nil (2019: £16) from Canary Wharf Limited and £Nil (2019: £495,088) from Canary Wharf Contractors Limited which are wholly owned subsidiaries of Canary Wharf Group plc.

The Partnership also incurred charges of £28,065 (2019: £28,065) from Canary Wharf Limited in respect of administration services.

19. CONTROLLING PARTY

The Partnership is controlled by its general partner, Braeburn Estates B3 (GP) Limited. The ultimate controlling party is Braeburn Estates Limited Partnership.

As at 31 December 2020, the smallest and largest group of which the Partnership is a member and for which group financial statements are drawn up is the consolidated financial statements of Braeburn Estates Limited Partnership. Braeburn Estates Limited Partnership is a joint venture between Project Russet Property Unit Trust and Canary Wharf (PB) Unit Trust. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.