

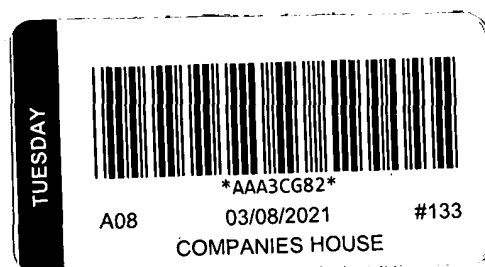
King's Cross

Company Registration No. 12505438

KC Cadence GP Limited

Directors' Report and Financial Statements

For the period ended 31 March 2021



King's Cross

KC Cadence GP Limited

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KC Cadence GP Limited

Directors' report

The directors present their directors' report and the unaudited financial statements of KC Cadence GP Limited ("the Company") for the period from incorporation on 9 March 2020 to 31 March 2021. This is the first accounting period for the Company, therefore no comparative figures are available.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities

The principal activity of the Company is to act as the General Partner of KC Cadence Limited Partnership (No. LP020954), whose principal activity is the development and investment in a building on the King's Cross estate site.

Results

The results for the year are set out on page 2. The results for the year and the financial position at the year-end were considered satisfactory by the directors.

Directors

The directors who held office during the year, and up to the date of the signing of the financial statements, were as follows:

W J L Colthorpe	(appointed 1 April 2021)
R M Evans	(appointed 9 March 2020)
A Gibbs	(appointed 9 March 2020)
M B Lightbound	(appointed 9 March 2020)
D J G Partridge	(appointed 9 March 2020)
N P Searl	(appointed 9 March 2020)

Audit

For the financial period ended 31 March 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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



M B Lightbound
Director

2 August 2021

Registered office:
4 Stable Street
London
N1C 4AB

King's Cross

KC Cadence GP Limited

Statement of Comprehensive Income for the period ended 31 March 2021

		31 March 2021
	Note	£
Rental income		-
Cost of sales		-
Gross profit		<u>-</u>
Administrative expenses		-
Operating profit		<u>-</u>
Fair value movement of financial instruments	4	3,477
Profit for the year		<u>3,477</u>
Other comprehensive income		-
Total comprehensive income		<u><u>3,477</u></u>

All amounts derive from continuing operations.

The notes on pages 4 to 7 form part of these financial statements.

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KC Cadence GP Limited

Balance Sheet as at 31 March 2021

		2021
	Notes	£
Non-current assets		
Investment in associate	4	3,477
Current assets		
Debtors	5	1
Total assets		<u>3,478</u>
Capital and reserves		
Called up share capital	6	1
Retained earnings		<u>3,477</u>
Shareholders' funds		<u>3,478</u>

The notes set out on pages 4 to 7 form part of these financial statements.

The Company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the period ended 31 March 2021.

No member of the Company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for complying with the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

These financial statements of KC Cadence GP Limited (Company No: 12505438) were approved by the Board of Directors on 2 August 2021 and signed on their behalf by:

Michael Lightbound

M B Lightbound
Director

KC Cadence GP Limited

Notes to the financial statements (continued) for the period ended 31 March 2021

1. Accounting policies

Company information

The Company is a private company limited by shares incorporated in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB.

(a) Basis of preparation

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

The financial statements are prepared in £ sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, except for the remeasurement of certain assets.

The principal accounting policies adopted are set out below.

(b) Going concern

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

(c) Investments in associate

Investments in associate are recognised at fair value through profit and loss. The investment is measured initially at its transaction price, and then remeasured to fair value each reporting date. Changes in fair value are recognised through profit or loss.

The fair value of the Company's investment in the Limited Partnership is estimated to be equal to the Company's share of the net asset value ("NAV") of the Limited Partnership, as at the statement of financial position date. The value assigned to the investment is based upon available information and does not necessarily represent amounts which might be ultimately realised.

The investment in the Limited Partnership is valued based on the latest available information for the Limited Partnership. The Company reviews the details of the reported information obtained from the Limited Partnership and considers:

- (a) the liquidity of the Limited Partnership or its underlying investments; and
- (b) the value date of the net asset value ("NAV") provided.

If necessary, the Company will make adjustments to the NAV of the Limited Partnership to obtain the best estimate of fair value.

Investment in the Limited Partnership is classified under Level 3 of the fair value hierarchy.

(d) Financial instruments

Financial assets

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss ('FVTPL'), which are measured at fair value.

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Notes to the financial statements (continued) for the period ended 31 March 2021

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each year end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been affected.¹ Accounting policies (continued)

De-recognition of financial assets

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

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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 payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liabilities

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

2. Judgement and key sources of estimation and uncertainty

In the application of the Company's accounting policies, the directors are required to make judgement, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods where the revision affects only the period, or in the period of the revision and future periods where the revision affects both current and future periods.

Investment in associate

The investment in associate is recognised at fair value through profit and loss. Certain critical accounting judgements in applying the Company's accounting policies are described in note 1 of these financial statements.

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Notes to the financial statements (continued) for the period ended 31 March 2021

The Company believes that critical accounting judgement has been applied in the preparation of these financial statements in respect of the valuation of the investment in the Limited Partnership, see note 4 for further details.

3. Employees

The Company did not employ any staff during the current or preceding year. None of the directors received any remuneration or other emoluments in respect of their services to the Company.

4. Investment in associate

	2021 £
At 1 April	-
Movement in the year	3,477
At 31 March	<u>3,477</u>

The investment represents a 0.01% interest in the Limited Partnership registered in England (number LP020954) under the Limited Partnership Act 1907, whose principal activity is the development and investment in a building on the King's Cross Estate.

The Company is deemed to have significant influence over the Limited Partnership, and this investment is recognised as an investment in associate. This investment is accounted for in line with Section 14 Investments in Associates, adopting the fair value through profit and loss accounting method in the Company's financial statements.

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

At 31 March 2021, Cushman and Wakefield valued the investment property at £29.1 million. The valuation was in accordance with the appropriate sections of the RICS Valuation - Global Standards, which incorporate the International Valuation Standards and the RICS UK Valuation Standards.

5. Debtors

	2021 £
Unpaid share capital	<u>1</u>

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Notes to the financial statements (continued) for the period ended 31 March 2021

6. Share capital

	2021
Allotted and called up:	£
1 ordinary share of £1	1

Called-up share capital represents the nominal value of shares that have been issued.

7. Ownership

The Company is 100% owned by King's Cross Central General Partner Limited ("KCCGP"). The Company's results are consolidated into this entity. KCCGP is the largest group of which the Company is consolidated into. Copies of the consolidated accounts of KCCGP can be obtained from Companies House.