



**ARGENT**

**Company Registration No. 03965242**

**Argent (King's Cross) Limited**

**Directors' Report and Financial Statements**

**Year ended 31 December 2021**





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## **Argent (King's Cross) Limited**

### **Directors' Report and financial statements 2021**

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## Argent (King's Cross) Limited

### Directors' report

The directors present their annual report and the audited financial statements for Argent (King's Cross) Limited ("the company") for the year ended 31 December 2021. This is a private company limited by shares. The financial statements have been prepared on the going concern basis, as detailed in note 1.

#### Principal activities and business review

The company's principal activity is the development and asset management of the King's Cross Estate in N1C, London.

#### Directors

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

C R A Darroch  
M B Lightbound  
J H E Thompson  
J G M Wates

In preparing this Directors' Report, the directors have complied with S414C (11) of the Companies Act 2006 by including certain disclosures required by S416(4) within the Strategic Report, as follows:

- Financial risk management objectives and policies
- Future developments
- Results and dividends

#### Statement of disclosure to auditor

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

- so far as he/she is aware, there is no relevant audit information of which the company's auditor is unaware; and
- as a director he/she has taken all steps that ought to have been taken in order to make himself/herself aware of any relevant audit information and has established that the company's auditor is aware of that information.

#### Political and charitable contributions

The company made no political contributions or charitable donations during the current or preceding year.

#### Auditor

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

On behalf of the board

**M B Lightbound**  
Director

8 July 2022  
4 Stable Street, London, N1C 4AB

**ARGENT****Argent (King's Cross) Limited****Strategic report**

The company has entered into an Asset Management Agreement ("AMA") with King's Cross Central General Partner Limited ("KCCGP") in KCCGP's capacity as general partner of the King's Cross Central Limited Partnership ("KCCLP"). The company also entered into a services agreement with Argent (Property Development) Services LLP ("ASLLP") in order to perform its obligations under the AMA.

In addition, there exists a management agreement between Argent King's Cross GP LLP ("AKXGP") and the company, under which the company and AKXGP are entitled to certain fees arising in connection with the company's provision of development and asset management services to KCCLP.

During 2021, the company continued to fulfil its duties under the AMA with KCCGP through its agreement with ASLLP. The directors expect the company to continue this activity for the foreseeable future.

**Results and dividends**

During the year, the company made a loss before tax of £7,832 (2020: profit £33,535) the results for the year are shown on page 7. No dividends were paid or declared during the current or preceding year.

**Business review**

The company continued to provide asset and development management services to KCCLP. A number of milestones were achieved during the year, which resulted in Performance Fees and Milestone Payments becoming due of £20,135,568 (2020: £30,499,770).

**KPIs**

The following KPIs are used by management to monitor the company:

	2021 £	2020 £
Turnover	39,804,960	50,131,506
Operating (loss)/profit before tax	(8,907)	18,445
Shareholders' funds	49,481	57,457
Milestone payments	-	380,960
Performance fees	20,135,568	30,118,810

**Financial risk management**

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

**Risk identification and management**

The directors consider the principal risks relating to the company's activities are: planning and political; construction; letting; and financial. The company's risk profile is reviewed regularly by the Board and, where appropriate, action is taken to mitigate such risks.

On behalf of the board

*Michael Lightbound*

**M B Lightbound**  
Director

8 July 2022



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## Argent (King's Cross) Limited

### **Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Argent (King's Cross) Limited**

### **Opinion**

We have audited the financial statements of Argent King's Cross Limited ("the company") for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity, the Cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Going concern**

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

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

Our conclusions based on this work:

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

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

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

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

- Inspection of high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any usual or unexpected relationships.
- Considering performance targets and incentives for management.

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

## **Independent auditor's report to the members of Argent (King's Cross) Limited**

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

We did not identify any additional fraud risks.

On this audit we do not believe there is a fraud risk related to revenue recognition because the income primarily arises from contracts with predictable payments.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries with specific or no description, those posted by specific users, duplicate and missing journal entries, those posted with debit in expenses and credit in cash and post-closing journal entries;

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

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

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

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

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

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

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

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

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

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

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

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

## **Independent auditor's report to the members of Argent (King's Cross) Limited**

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

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

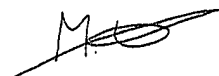
### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

This report is made solely to the 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.



**Matthew Williams (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
E14 5GL

11 July 2022





## Argent (King's Cross) Limited

### Profit and loss account for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	2	39,804,960	50,131,506
Cost of sales		<u>(39,763,836)</u>	<u>(50,089,003)</u>
<b>Gross profit</b>		41,124	42,503
Administrative expenses	3	<u>(50,031)</u>	<u>(24,058)</u>
<b>Operating profit/(loss)</b>		(8,907)	18,445
Interest receivable		1,257	15,288
Interest payable		<u>(182)</u>	<u>(198)</u>
<b>(Loss)/profit before taxation</b>		<u>(7,832)</u>	<u>33,535</u>
Tax charge on profit on ordinary activities	4	<u>(144)</u>	<u>(64,529)</u>
<b>Loss for the financial year</b>		<u><u>(7,976)</u></u>	<u><u>(30,994)</u></u>

All amounts derive from continuing operations.

The company had no Other Comprehensive Income so the (loss)/profit for the current and preceding year represent Total Comprehensive Income.

The notes on pages 11 to 15 form part of these financial statements.



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**Argent (King's Cross) Limited****Balance sheet  
as at 31 December 2021**

	Notes	2021 £	2020 £
<b>Current assets</b>			
Debtors	5	37,553,319	30,967,710
Cash at bank		<u>3,282,144</u>	<u>1,296,554</u>
		40,835,463	32,264,264
<b>Creditors: amounts falling due within one year</b>	6	<u>(40,785,982)</u>	<u>(32,206,807)</u>
<b>Net assets</b>		<u>49,481</u>	<u>57,457</u>
<b>Capital and reserves</b>			
Called up share capital	7	100	100
Profit and loss account		<u>49,411</u>	<u>57,357</u>
<b>Shareholders' funds</b>		<u>49,481</u>	<u>57,457</u>

The notes on pages 11 to 15 form part of these financial statements.

These financial statements (company number 03965242) were approved by the Board of Directors on 8 July 2022 and were signed on its behalf by:

**M B Lightbound**  
Director



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**Argent (King's Cross) Limited**
**Statement of changes in equity  
for the year ended 31 December 2021**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 January 2020</b>	100	88,351	88,451
<b>Year ended 31 December 2020:</b>			
Loss for the financial year	-	(30,994)	(30,994)
<b>Balance at 31 December 2020</b>	100	57,357	57,457
<b>Year ended 31 December 2021:</b>			
Loss for the financial year	-	(7, 976)	(7, 976)
<b>Balance at 31 December 2021</b>	100	49,381	49,481

The notes on pages 11 to 15 form part of these financial statements.



## Argent (King's Cross) Limited

### Cash flow statement for the year ended 31 December 2021

	Notes	2021 £	2020 £
<b>Cash flow from operating activities</b>			
Operating (loss)/profit		(8,907)	18,445
Increase in debtors	5	(6,585,609)	(19,783,402)
Increase in creditors	6	8,579,031	18,936,527
<b>Net cash inflow/(outflow) from operating activities</b>		<u>1,984,515</u>	<u>(828,430)</u>
<b>Cash flow from financing activities</b>			
Interest received		1,257	15,288
Interest paid		(182)	(198)
<b>Net cash inflow from financing activities</b>		<u>1,075</u>	<u>15,090</u>
<b>Increase/(Decrease) in cash and cash equivalents</b>		<u>1,985,590</u>	<u>(813,340)</u>
<b>Opening cash</b>		<u>1,296,554</u>	<u>2,109,894</u>
<b>Closing cash at 31 December</b>		<u><u>3,282,144</u></u>	<u><u>1,296,554</u></u>

The notes on pages 11 to 15 form part of these financial statements.



## Argent (King's Cross) Limited

### Notes to the financial statements for the year ended 31 December 2021

#### 1. Accounting policies

Argent (King's Cross) Limited is a company limited by shares incorporated in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB.

##### **Basis of preparation**

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

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 principal accounting policies adopted are set out below. These have all been applied consistently throughout the current and preceding year.

##### **Going concern**

The directors have forecast the cash requirements of the company for at least the next 12 months from the date of approval of these financial statements and in particular have considered the effect of the Covid-19 pandemic.

The forecast indicates that the company is dependent on the continued receipt of fees from KCCLP. However, having made enquiries, the directors are content that even in a severe but plausible downside scenario, KCCLP has sufficient resources to continue to pay sufficient fees for at least 12 months from the date of approval of the financial statements in order to allow the company to pay its liabilities as they fall due.

The company has amounts due to Argent Kings Cross Limited Partnership ("AKXLP") of £36.9m at 31 December 2021 (2020: £31.4m). The forecasts prepared by management are dependent on AKXLP not seeking repayment of the amounts currently due from the company. AKXLP has indicated that it does not intend to seek payment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Turnover**

Turnover represents asset and development management fees, performance fees and milestone fees, together with interest on unpaid amounts recognised by the company in respect of services supplied.

Milestone Payments are based on return on capital and the attainment of specific events within KCCLP. The amount recognised is based on the first year's annual rent on commercial buildings or net sale proceeds from the disposals of plots or completed investments.

Fees are recognised when the service has been provided. Interest is recognised on an effective interest rate basis. However, turnover is only recognised if it is sufficiently certain that the income will be received (see note 2).

Turnover relates entirely to operations in the United Kingdom.

##### **Taxation**

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

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.



## Argent (King's Cross) Limited

### Notes to the financial statements (continued) for the year ended 31 December 2021

#### 1 Accounting policies (continued)

##### Taxation (continued)

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

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

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

##### Basic financial assets

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

##### Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

##### Derecognition of financial assets

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

##### Classification of financial liabilities

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

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

##### Derecognition of financial liabilities

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

##### Judgements and key sources of estimation uncertainty

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

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



## Argent (King's Cross) Limited

### Notes to the financial statements (continued) for the year ended 31 December 2021

#### 1 Accounting policies (continued)

##### Judgements and key sources of estimation uncertainty (continued)

Performance fees are only recognised to the extent there is sufficient probability that these will be received. The directors consider that there is sufficient certainty around the timing of the payment of the performance fee liability recognised in the financial statements such that they consider it unlikely that this will result in a lower amount being received by the Partnership in the event of deteriorating market conditions triggering a clawback provision.

#### 2. Turnover

	2021 £	2020 £
Performance fees and milestone payments	20,135,568	30,499,770
Base and other fees	18,065,485	17,450,045
Interest accrued on unpaid performance fees	1,603,907	2,181,691
	<u>39,804,960</u>	<u>50,131,506</u>

#### 3. Audit fees and staff

The fees for the audit of the company of £16,800 are included in administrative expenses (2020: £16,000).

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 (2020: £nil).

#### 4. Tax on profit on ordinary activities

##### (a) Analysis of tax charge/(credit) for the year

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profit/(loss) for the year	-	-
Adjustment in respect of prior periods	144	64,529
<b>Total tax per profit and loss account</b>	<u>144</u>	<u>64,529</u>

##### (b) Factors affecting the tax (credit)/charge for the year

The charge/(credit) for the year can be reconciled back to the profit per the profit and loss account:

	2021 £	2020 £
(Loss)/profit for the year	<u>(7,832)</u>	<u>33,535</u>
Tax on profit on ordinary activities multiplied by standard rate of UK corporation tax of 19% (2020: 19%)	(1,488)	6,372
Effects of:		
Effects of group relief	-	14,491
Adjustment in respect of prior periods	144	64,529
Movement in DTA not recognised	1,488	(20,863)
<b>Total tax charge/(credit)</b>	<u>144</u>	<u>64,529</u>

As of 31 December 2021, the company has a deferred tax asset of £81,225 (2020: £45,751) which has not been recognised due to uncertainty in respect of utilisation of the tax losses.



## Argent (King's Cross) Limited

### Notes to the financial statements (continued) for the year ended 31 December 2021

#### 5. Debtors: due within one year

	2021 £	2020 £
Trade debtors	587,172	345,142
Corporation tax refund due	-	-
Accrued income	36,966,147	30,622,568
	<u>37,553,319</u>	<u>30,967,710</u>

#### 6. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	3,406
Due to Argent King's Cross Limited Partnership	36,878,539	31,427,185
Due to Argent King's Cross GP LLP	3,660	-
Corporation tax payable	144	64,118
VAT due	1,905,070	57,524
Accruals	1,998,569	654,574
	<u>40,785,982</u>	<u>32,206,807</u>

Amounts due to Argent King's Cross Limited Partnership and Argent King's Cross GP LLP carry no interest and are repayable on demand.

#### 7. Called up share capital

	2021 £	2020 £
<b>Allotted and called up</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

#### 8. Related party transactions

As at the date of these financial statements, the company was a wholly owned subsidiary of Argent King's Cross GP LLP, the general partner of Argent King's Cross Limited Partnership ("AKXLP"). The company also has directors in common with KCCGP, being C R A Darroch and M B Lightbound (as alternate director). Certain directors of the company, being M B Lightbound, J H E Thompson and J G M Wates are also members of ASLLP. In addition, certain of the company's directors, M B Lightbound, J H E Thompson and J G M Wates are also indirect partners in AKXLP, which is a unit holder in King's Cross Central Property Trust, the sole limited partner of KCCLP. BT Pension Scheme is the ultimate majority investor in AKXLP.

During the year, management fees and performance fees of £32,158,220 (2020: £42,514,568) accrued from KCCLP under the AMA. This is included within turnover in the profit and loss account. A balance of £35,492,215 was outstanding at 31 December 2021 (2020: £30,526,854) in respect of those fees. This is disclosed in trade debtors and accrued income (note 5).

Interest accrued on the performance fee payable from KCCLP totalling £1,603,907 (2020: £2,181,691) during the year ended 31 December 2020. Of this amount, £nil (2020: £nil) was outstanding at the year end.





## Argent (King's Cross) Limited

### Notes to the financial statements (continued) for the year ended 31 December 2021

#### 8. Related party transactions (continued)

During the year, ASLLP charged fees of £10,850,564 (2020: £22,607,253) to the company under the services agreement (see Strategic Report for further details). This is included within cost of sales in the profit and loss account. At the year-end, ASLLP is owed £1,961,067 (2020: £622,568) in respect of these fees. This balance is disclosed in accruals (note 6).

During the year, AKXLP charged fees of £14,844,244 (2020: £16,958,316) in accordance with the management agreement (see Strategic Report for further details). This balance is included in cost of sales in the profit and loss account. At the year-end, the company owed £36,878,539 (2020: £31,427,185) in relation to these fees. This balance is disclosed in creditors (note 6).

Interest accrued on the performance fee payable to AKXLP totalling £1,599,897 (2020: £2,176,236) during the year. Of this amount, £nil (2020: £nil) was outstanding at the year end.

During the year, the company directly invoiced King's Cross Estate Services ("KCES"), KC Green Limited Partnership ("KC Green"), KC Cadence Limited Partnership ("Cadence"), KC S3 Limited Partnership ("S3"), KC S4 Limited Partnership ("S4") and KC R8 Limited Partnership ("R8"), all of which are 100% subsidiaries of KCCLP.

The company billed KCES £1,373,242 (2020: £1,156,250) in relation to estate and building management fees. At the year-end, the company was owed £88,849 (2020: £3,406) in relation to these fees. This balance is disclosed in trade debtors (note 5).

The company billed KC Green £936,576 (2020: £3,872,251) in relation to Development Management fees. At the year-end, the company was owed £287,619 (2020: £357,344) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 5).

The company billed Cadence £395,224 (2020: £730,140) in relation to Development Management fees. At the year-end, the company was owed £211,205 (2020: £80,106) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 5).

The company billed S3 £747,180 (2020: £nil) in relation to Development Management fees. At the year-end, the company was owed £439,437 (2020: £nil) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 5).

At the year-end, the company was owed £684,805 (2020: £nil) in relation to Development Management fees from S4. This balance is disclosed in trade debtors and accrued income (note 5).

The company billed R8 £760,032 (2020: £nil) in relation to Development Management fees. At the year-end, the company was owed £192,602 (2020: £nil) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 5).

#### 9. Ultimate controlling party

The immediate parent undertaking of the company is Argent King's Cross GP LLP, which is incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Argent King's Cross GP LLP are available from Companies House.

Argent King's Cross GP LLP is ultimately controlled by and majority owned by the BT Pension Scheme, registered address: 150 Cheapside, London, EC2V 6ET.

#### 10. Events after reporting date

There have been no significant subsequent events following the reporting date up to the date of signing these financial statements.