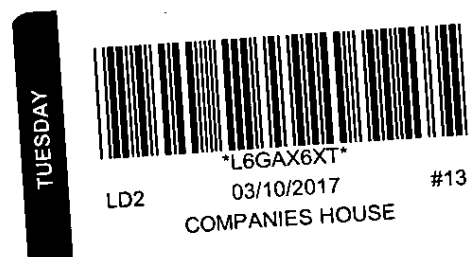


Registered Number 04221928

EBBSFLEET INVESTMENT (GP) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7/3/17
19/3
19/3



Directors' Report for the year ended 31 March 2017

The directors present their report with the audited financial statements of the Company for the year ended 31 March 2017.

RESULTS FOR THE YEAR AND DIVIDEND

The results are set out in the Income Statement on page 4.

The directors do not recommend the payment of a dividend for the year ended 31 March 2017 (2016: £Nil).

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company acted as the General Partner to The Ebbsfleet Limited Partnership. No changes in the Company's principal activity are anticipated in the foreseeable future.

GOING CONCERN

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of The Ebbsfleet Limited Partnership, a related party, as confirmed by general partner.

DIRECTORS

The directors who held office during the year and up to the date of this report unless otherwise stated were:

J F Bowater	
T R Last	
T C Elliott	(resigned 1 September 2016)
D J Heaford	(appointed 1 September 2016)
K Fenn-Smith	(appointed 1 September 2016 & resigned 31 July 2017)
O S Gardiner	(resigned 29 July 2016)
C Clarke	(appointed 21 August 2017)

INDEMNITY

The Company has made qualifying third party indemnity provisions for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report.

SMALL COMPANIES EXEMPTION

The Directors' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

STRATEGIC REPORT

The Company has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a Strategic Report.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each director in office at the date the Directors' Report is approved, the following applies:

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

Registered Office
100 Victoria Street
London
SW1E 5JL



By order of the Board
L Miles, for and on behalf of LS Company Secretaries Limited,
Company Secretary
21 September 2017

Registered and domiciled in England and Wales
Registered number: 04221928

Directors' Responsibilities for the year ended 31 March 2017**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU (IFRSs). 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Independent Auditor's Report to the Members of Ebbsfleet Investment (GP) Limited for the year ended 31 March 2017

We have audited the financial statements of Ebbsfleet Investment (GP) Limited for the year ended 31 March 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, Cash Flow Statement and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Financial Statements and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; 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 not preparing the Strategic Report and take advantage of the small companies' exemption in preparation of the Directors' Report.

Ernst & Young LLP

Daniel Saunders (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London

25 September 2017

Income Statement for the year ended 31 March 2017
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	Notes	2017 £	2016 £
Income from quoted investments		50	101
Management and administrative (expenses) / income	4	(1,925)	1,753
Provision for impairment in value of investment in joint venture	7	(2,819)	(139)
(Loss) / profit before tax		(4,694)	1,715
Income tax	5	-	-
(Loss) / profit for the financial year		(4,694)	1,715

Statement of comprehensive income for the year ended 31 March 2017

	2017 £	2016 £
(Loss) / profit for the financial year	(4,694)	1,715
Other comprehensive expense for the financial year	(831)	(727)
Total comprehensive (loss) / income for the financial year	(5,525)	988

All amounts are derived from continuing activities.

Balance Sheet as at 31 March 2017

	Notes	31 March 2017 £	31 March 2016 £
Non-current assets			
Investments in subsidiary undertaking	6	4	4
Investments in joint ventures	7	112,900	121,771
Other investments	8	8,651	9,482
Total non-current assets		121,555	131,257
Current assets			
Trade and other receivables	9	1,256	871
Amounts due from related parties		3,026	-
Total current assets		4,282	871
Total assets		125,837	132,128
Current liabilities			
Amounts due to related parties	10	(139,368)	(140,134)
Total current liabilities		(139,368)	(140,134)
Net liabilities		(13,531)	(8,006)
Equity			
Capital and reserves			
Ordinary shares	12	4	4
Retained earnings		(13,535)	(8,010)
Total Equity		(13,531)	(8,006)

The financial statements on pages 4 to 11 were approved by the Board of Directors on 21 September 2017 and were signed on its behalf by:



D Heaford
Director



T Last
Director

Statement of changes in equity

	Ordinary shares £	Retained earnings £	Total £
At 1 April 2015	4	(8,998)	(8,994)
Total comprehensive income for the year	-	988	988
At 31 March 2016	4	(8,010)	(8,006)
Total comprehensive loss for the year	-	(5,525)	(5,525)
At 31 March 2017	4	(13,535)	(13,531)

Statement of Cash Flows for the year ended 31 March 2017

	2017 £	2016 £
Operating activities		
(Loss) / profit before tax	(4,694)	1,715
Adjustments to reconcile profit before tax to net cash flows:		
Impairment loss in valuation of joint venture	2,819	139
Working capital adjustments:		
(Increase) in receivables	(3,411)	-
Decrease in payables	(766)	(1,854)
Net cash flows used in operating activities	(6,052)	-
Net cash flows from investing activities	-	-
Net cash flows used in financing activities	-	-
Capital reduction in investment in joint venture	6,052	-
Net movement in cash and cash equivalents in the year	-	-
Cash and cash equivalents at 1 April	-	-
Cash and cash equivalents at 31 March	-	-

1. Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The financial statements are prepared under the historical cost convention.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2017. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds.

2. Significant accounting policies

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2017.

(a) Income from quoted investments

Income from quoted investments is accounted for when the right to receive dividend is established.

(b) Investment in a joint venture

Investments in a joint venture are carried at cost, less any repayment of joint venture capital and provision for impairment in value.

(c) Investment in subsidiary undertaking

Investments in subsidiary undertaking are stated at cost in the Company's balance sheet, less any provision for impairment in value.

(d) Other investments

Other investments are available-for-sale financial assets and are held at fair value. Changes to fair value are recorded within other comprehensive income.

(e) Trade and other receivables

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. 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 receivables concerned. If collection is expected in more than one year, they are classified as non-current assets.

(f) Impairment

The carrying amounts of the Company's non-financial assets, other than investment properties (see (b) above), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below). An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. The value in use is determined as the net present value of the future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the amount that would have been determined, net of applicable depreciation, if no impairment loss had been recognised.

(g) Income taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years. 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 taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than on a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

2. Significant accounting policies (continued)

(h) Group accounts

The Company is a parent entity which has not prepared consolidated financial statements on the basis of materiality.

(i) Amendments to IFRS standards not yet applicable

The accounting policies used in these financial statements are consistent with those applied in the last annual financial statements, as amended where relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year. These amendments have not had an impact on the financial statements.

A number of new standards and amendments to standards have been issued but are not yet effective for the Company. The most significant of these, and their potential impact on the Company's accounting, are set out below:

IFRS 15 Revenue from Contracts with Customers (effective from 1 April 2018) – the standard will be applicable to service charge income, other property related income, trading property sales proceeds and proceeds from the sale of investment properties, but not rental income arising from the Company's leases with tenants. Based on the transactions impacting the current financial year and future known transactions, the Company does not expect the adoption of IFRS 15 to have a material impact on the Company's reported results. However, we will continue to assess new transactions as they arise to the date of adoption.

IFRS 9 Financial Instruments (effective from 1 April 2018) – the standard applies to classification and measurement of financial assets and financial liabilities, impairment provisioning and hedge accounting. The main area of impact for the Company is considered to relate to impairment provisioning which may affect measurement and presentation of trade receivables. We believe that the current provisioning approach to trade receivables is expected to be materially similar to the revised guidance.

IFRS 16 Leases (effective from 1 April 2019) – the adoption of this standard is not expected to significantly impact the recognition of rental income earned under the Company's leases with tenants. The Company holds a small number of operating leases as a lessee which are affected by this standard, however, these are not material to the financial statements.

3. Critical accounting judgements and key estimations of uncertainty

The Company's significant accounting policies are stated in note 2 above. Not all of these significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements. These judgements involve assumptions or estimates in respect of future events. Actual results may differ from these estimates.

(a) Trade and other receivables

The Company is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the counterparty and the status of any disputed amounts.

4. Management and administrative expenses

(a) Management services

The Company had no employees during the year (2016: None). Management services were provided to the Company throughout the year by Land Securities Properties Limited, which is a Group undertaking, and amount to £Nil (2016: £Nil).

(b) Directors' remuneration

The directors of the Company received no emoluments from Land Securities Properties Limited for their services to the Company. The amounts allocated to services for this Company were £Nil (2016: £Nil).

(c) Auditor remuneration

The proportion of the remuneration which relates to the Company amounts to £1,925 (2016: £Nil). The auditor received no remuneration for non-audit services provided to the Company during the year (2016: £Nil).

(d) Provision for impairment in value

An impairment of £2,819 (2016: £139) in respect of an investment in a joint venture recognised in the Profit and Loss account and a decrease in fair value of £831 (2016: £728) in respect of an investment in quoted investments has been recognised in the Statement of Other Comprehensive Income for the year. The joint venture had an impairment in the prior year due to the decrease in their net assets.

5. Income tax

	2017 £	2016 £
Current tax		
Income tax on (loss) / profit for the year	-	-
Total income tax charge in the income statement	-	-
Factors affecting the tax charge for the year		
The current income tax charge for the year is higher than (2016: lower than) the standard rate of corporation tax in the UK of 20% (2016: 20%).		
(Loss) / profit before tax	(4,694)	1,715
(Loss) / profit before tax multiplied by the rate of corporation tax in the UK of 20% (2016: 20%)	(939)	343
Effects of:		
Expenses not deductible for tax purposes	564	28
Non-taxable income	(10)	-
Share of a loss of a Limited Partnership	(564)	(28)
Utilisation of tax losses	949	(343)
Total income tax charge in the income statement (as above)	-	-

6. Investment in subsidiary undertaking

	£
At 1 April 2016 and 31 March 2017	4

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The subsidiary undertaking of the Company is:

Name	Class of shares owned	Percentage of share capital owned	Principal country of incorporation	Nature of business
Ebbsfleet Nominee No. 1 Limited	£2 Ordinary shares	100%	England	Dormant

7. Investment in a joint venture

	£
At 1 April 2016	121,771
Capital reduction	(6,052)
Provision following impairment review	(2,819)
At 31 March 2017	112,900

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company owns 0.5% of The Ebbsfleet Limited Partnership which is a joint venture and draws up financial statements to 31 March. The Ebbsfleet Limited Partnership is a joint venture between Ebbsfleet Investment (GP) Limited, Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited.

8. Other investments

	£
At 1 April 2016	9,482
Deficit on revaluation	(831)
At 31 March 2017	8,651

9. Trade and other receivables

	2017 £	2016 £
Social security and other taxes	385	-
Other receivables	871	871
Total trade and other receivables	1,256	871

10. Amounts due from related parties

	2017 £	2016 £
Ebbsfleet Property Limited	3,026	-
Total amounts due from related parties	3,026	-

The unsecured loan to Ebbsfleet Property Limited, a related party, is interest free and repayable on demand with no fixed repayment date.

11. Amounts due to related parties

	2017 £	2016 £
Amounts due to Land Securities Properties Limited	8,368	9,134
Amounts due to the The Ebbsfleet Limited Partnership	131,000	131,000
Total amounts due to related parties	139,368	140,134

The unsecured loans from Land Securities Properties Limited and The Ebbsfleet Limited Partnership, both related parties, are interest free and repayable on demand with no fixed repayment dates.

12. Ordinary share capital

	2017 Number	Issued 2016 Number	Allotted and fully paid 2017 £	2016 £
'A' Ordinary shares of £1 each	2	2	2	2
'B' Ordinary shares of £1 each	2	2	2	2
	4	4	4	4

There is no difference in voting rights, rights to dividends and rights on the winding up of the Company for each share class.

13. Related party transactions

As of 31 March 2017, there was a balance of **£8,368** (2016: £9,134) owed to Land Securities Properties Limited, a related party, in relation to working capital requirements and amounts due from distributions made in the year. The net movement of **£766** (2016: £1,649) relates to amounts received and paid during the year. The loan is interest free and repayable on demand with no fixed repayment dates.

As of 31 March 2017, an amount of **£131,000** (2016: £131,000) was owed to The Ebbsfleet Limited Partnership, a joint venture of the company, in relation to working capital loans. The loan is interest free and repayable on demand with no fixed repayment dates.

During the year, an amount of **£3,026** (2016: £Nil) was owed from Ebbsfleet Property Limited, a related party, in relation to the distributions from The Ebbsfleet Limited Partnership.

14. Parent company

The Company is jointly owned by Land Securities Ebbsfleet (No. 2) Limited and Ebbsfleet Property Limited and therefore there is no ultimate parent and ultimate controlling party.

15. Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of The Ebbsfleet Limited Partnership, a related party, as confirmed by general partner.

Registered Number LP7664

THE EBBSFLEET LIMITED PARTNERSHIP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

04221928

TUESDAY

COMPANIES HOUSE

General Partner's Report for the year ended 31 March 2017

The General Partner presents its report with the audited financial statements of The Ebbsfleet Limited Partnership (the "Limited Partnership") for the year ended 31 March 2017.

RESULTS FOR THE YEAR AND DIVIDEND

The results are set out in the Income Statement on page 4.

The General Partners paid a return of capital of £1,210,242 during the year to 31 March 2017 (2016: £Nil).

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

In accordance with the Limited Partnership Deed dated 29 June 2001, the principal activity of the Limited Partnership is property development and investment. The Limited Partnership acts as an investment partnership to hold the economic interests of its partners as developers of Ebbsfleet. No changes in the Limited Partnership's principal activity are anticipated in the foreseeable future.

PARTNERS

Ebbsfleet Investment (GP) Limited, with a 0.5% interest, acts as the General Partner to the Limited Partnership. The Limited Partners and their respective percentage holdings are shown below:

Land Securities Ebbsfleet Limited	49.75%
Ebbsfleet Property Limited	49.75%

SMALL COMPANIES EXEMPTION

The Directors' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

STRATEGIC REPORT

The Limited Partnership has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a Strategic Report.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are a director of the general partner at the date of approval of this report confirms that:

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

Registered Office
100 Victoria Street
London
SW1E 5JL

Liz Miles

By order of the Board
L Miles, for and on behalf of LS Company Secretaries Limited,
Company Secretary
21 September 2017

Registered and domiciled in England and Wales
Registered number: LP7664

General Partners Responsibilities for the year ended 31 March 2017**GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The General Partner is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Partnership Agreement requires the General Partner to prepare financial statements for each financial year. The General Partner has prepared the partnership financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and applicable law. The General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is responsible for the maintenance and integrity of the partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of The Ebbsfleet Limited Partnership for the year ended 31 March 2017

We have audited the financial statements of The Ebbsfleet Limited Partnership for the year ended 31 March 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the qualifying partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

Opinion on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships by The Partnership (Accounts) Regulations

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the general partner's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the General Partners were not entitled to take advantage of the small companies' exemption in not preparing the Strategic Report and take advantage of the small companies' exemption in preparation of the General Partners' Report.

Ernst & Young LLP

Daniel Saunders (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London

September 2017

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Income Statement for the year ended 31 March 2017

	Notes	2017 £'000	2016 £'000
Revenue: Gross income	4	4,501	95
Net expense	4	(537)	(28)
Property management and administrative expenses	5	(48)	-
Loss transferred to Partners' current account		<u>(585)</u>	<u>(28)</u>

Statement of comprehensive income for the year ended 31 March 2017

	2017 £'000	2016 £'000
Loss for the financial year	(585)	(28)
Other comprehensive income for the financial year	-	-
Total comprehensive loss for the financial year	<u>(585)</u>	<u>(28)</u>

All amounts are derived from continuing activities.

Balance Sheet as at 31 March 2017

		31 March 2017	31 March 2016
	Notes	£'000	£'000
Current assets			
Trading properties	6	21,796	25,538
Trade and other receivables	7	1,040	81
Amounts due from related parties	8	310	197
Cash and cash equivalents		884	11
Total assets		24,030	25,827
Current liabilities			
Trade and other payables	9	(28)	(62)
Amounts due to related parties	10	(1,443)	(1,411)
Total current liabilities		(1,471)	(1,473)
Net assets		22,559	24,354
Equity			
Capital and reserves			
Partners' capital accounts	11	25,121	26,331
Partners' current accounts	12	(2,562)	(1,977)
Total Equity		22,559	24,354

The financial statements on pages 4 to 11 were approved by the Board of Directors on 21 September 2017 and were signed on its behalf by:



D Heaford
Director
For and on behalf of the General Partner
Ebbsfleet Investment (GP) Limited



T Last
Director
For and on behalf of the General Partner
Ebbsfleet Investment (GP) Limited

Statement of changes in equity

	Partners' capital account £'000	Partners' current account £'000	Total £'000
At 1 April 2015	26,331	(1,949)	24,382
Total comprehensive loss for the year ended 31 March 2016	-	(28)	(28)
At 31 March 2016	26,331	(1,977)	24,354
Total comprehensive loss for the year ended 31 March 2017	-	(585)	(585)
Transactions with owners:			
Return of capital	(1,210)	-	(1,210)
At 31 March 2017	25,121	(2,562)	22,559

Statement of Cash Flows for the year ended 31 March 2017

	2017 £'000	2016 £'000
Operating activities		
Loss before tax	(585)	(28)
Working capital adjustments:		
(Increase) / decrease in receivables	(1,072)	82
(Decrease) / increase in payables	(2)	113
Decrease in trading properties	3,759	-
Net cash flows from operating activities	2,100	167
Investing activities		
Development expenditure on trading property	(17)	(198)
Net cash flows used in investing activities	(17)	(198)
Financing activities		
Reduction in Partners capital accounts for distribution	(1,210)	-
Net cash flows used in financing activities	(1,210)	-
Net movement in cash and cash equivalents in the year	873	(31)
Cash and cash equivalents at 1 April	11	42
Cash and cash equivalents at 31 March	884	11

1. Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2017. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000).

2. Significant accounting policies

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2017.

(a) Trading properties and long-term development contracts

Trading properties are those properties held for sale or those being developed with a view to sell and are shown at the lower of cost and net realisable value. Proceeds received on the sale of trading properties are recognised within Revenue.

Revenue on long-term development contracts is recognised according to the stage reached in the contract by reference to the value of work completed using the percentage of completion method. An appropriate estimate of the profit attributable to work completed is recognised once the outcome of the contract can be estimated reliably. The gross amount due from customers for contract work is shown as a receivable. The gross amount due comprises costs incurred plus recognised profits less the sum of recognised losses and progress billings. Where the sum of recognised losses and progress billings exceeds costs incurred plus recognised profits, the amount is shown as a liability.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. A provision for impairment is established where there is objective evidence that the Limited Partnership will not be able to collect all amounts due according to the original terms of the receivables concerned. If collection is expected in more than one year, they are classified as non-current assets.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or fewer. Bank overdrafts that are repayable on demand and form an integral part of the Limited Partnership's cash management are deducted from cash and cash equivalents for the purpose of the statement of cash flows.

(d) Trade and other payables

Trade and other payables with no stated interest rate and payable within one year are recorded at transaction price. Trade and other payables after one year are discounted based on amortised cost method using the effective interest rate.

(e) Intercompany loans

Intercompany loans are recognised initially at fair value less attributable transaction costs. Subsequently to initial recognition, intercompany loans are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the loan, using the effective interest method.

(f) Amendments to IFRS standards not yet applicable

The accounting policies used in these financial statements are consistent with those applied in the last annual financial statements, as amended where relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year. These amendments have not had an impact on the financial statements.

A number of new standards and amendments to standards have been issued but are not yet effective for the Company. The most significant of these, and their potential impact on the Company's accounting, are set out below:

IFRS 15 Revenue from Contracts with Customers (effective from 1 April 2018) – the standard will be applicable to service charge income, other property related income, trading property sales proceeds and proceeds from the sale of investment properties, but not rental income arising from the Company's leases with tenants. Based on the transactions impacting the current financial year and future known transactions, the Company does not expect the adoption of IFRS 15 to have a material impact on the Company's reported results. However, we will continue to assess new transactions as they arise to the date of adoption.

IFRS 9 Financial Instruments (effective from 1 April 2018) – the standard applies to classification and measurement of financial assets and financial liabilities, impairment provisioning and hedge accounting. The main area of impact for the Company is considered to relate to impairment provisioning which may affect measurement and presentation of trade receivables. We believe that the current provisioning approach to trade receivables is expected to be materially similar to the revised guidance.

IFRS 16 Leases (effective from 1 April 2019) – the adoption of this standard is not expected to significantly impact the recognition of rental income earned under the Company's leases with tenants. The Company holds a small number of operating leases as a lessee which are affected by this standard, however, these are not material to the financial statements.

3. Critical accounting judgements and key estimations of uncertainty

The Limited Partnership's significant accounting policies are stated in note 2 above. Not all of these significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements. These judgements involve assumptions or estimates in respect of future events. Actual results may differ from these estimates.

(a) Trading properties and long-term development contracts

Trading properties are carried at the lower of cost and net realisable value. The latter is assessed by the Limited Partnership having regard to suitable valuations performed by its external valuer, CBRE Limited.

The estimation of the net realisable value of the Limited Partnership's trading properties, especially the development land and infrastructure programmes, is inherently subjective due to a number of factors, including their complexity, unusually large size, the substantial expenditure required and long timescales to completion. In addition, as a result of these timescales to completion, the plans associated with these programmes could be subject to significant variation. As a result, and similar to the valuation of investment properties, the net realisable values of the Limited Partnership's trading properties are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate.

If the assumptions upon which the external valuer has based their valuation prove to be false, this may have an impact on the net realisable value of the Limited Partnership's properties, which would in turn have an effect on the Limited Partnership's financial condition.

(b) Trade and other receivables

The Limited Partnership is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the counterparty and the status of any disputed amounts.

4. Revenue

	2017 £'000	2016 £'000
Trading property sales proceeds	4,501	-
Other income	-	95
Gross property income	4,501	95
Other direct property or contract expenditure	(540)	(123)
Trading stock cost of sales	(4,498)	-
Loss on trading property sales	(537)	(28)

Other direct property or contract expenditure are costs incurred during the development of the trading property as they do not meet the conditions to be capitalised. Legal fees and other non-recoverable costs are also included.

5. Management and administrative expenses

(a) Management services

The Limited Partnership had no employees during the year (2016: None). Management services were provided to the Limited Partnership throughout the year by Land Securities Properties Limited, which is a Group undertaking, and amount to £22,870 (2016: £Nil).

(b) Directors' remuneration

The directors of the General Partners received no emoluments for their services to the Limited Partnership. The amounts allocated to services for this Limited Partnership were £Nil (2016: £Nil).

(c) Auditor remuneration

The auditor remuneration amounts to £1,925 (2016: £1,749). The auditor received no remuneration for non-audit services provided to the Limited Partnership during the year (2016: £Nil).

6. Trading properties and long-term development contracts

	£'000
At 1 April 2016	25,538
Additions	17
Disposals	(3,759)
At 31 March 2017	21,796

The net realisable value of the trading properties at 31 March 2017 has been arrived at on the basis of a valuation carried out at that date by CBRE Limited, external valuers. The net realisable value at 31 March 2017 was deemed to equate to £37,600,000.

7. Trade and other receivables

	2017 £'000	2016 £'000
Trade receivables	42	48
Property sales debtors	977	-
Social security and other taxes	21	33
Total trade and other receivables	1,040	81

8. Amounts due from related parties

	2017 £'000	2016 £'000
Amounts due from Ebbsfleet Investment (GP) Limited	131	131
Amount due from Land Securities Properties Limited	179	66
Total amounts due from related parties	310	197

The unsecured loan due from Land Securities Properties Limited and Ebbsfleet Investment (GP) Limited is interest free and are repayable on demand with no fixed repayment date or interest.

9. Trade and other payables

	2017 £'000	2016 £'000
Trade payables	4	50
Other payables	24	12
Total trade and other payables	28	62

10. Amounts due to related parties

	2017 £'000	2016 £'000
Amounts due to Limited Partners	1,443	1,411
Total amounts due to related parties	1,443	1,411

The unsecured loans due to Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited are interest free and repayable on demand with no fixed repayment date or interest.

11. Partners' capital accounts

	Ebbsfleet Investment (GP) Limited £'000	Land Securities Ebbsfleet Limited £'000	Ebbsfleet Property Limited £'000	Total £'000
At 1 April 2016	131	13,100	13,100	26,331
Return of capital	(6)	(602)	(602)	(1,210)
At 31 March 2017	125	12,498	12,498	25,121

12. Partners' current accounts

	Land Securities Ebbsfleet Limited £'000	Ebbsfleet Property Limited £'000	Total £'000
At 1 April 2016	(988)	(989)	(1,977)
Loss for the financial year	(293)	(292)	(585)
At 31 March 2017	(1,281)	(1,281)	(2,562)

13. Contingencies

The Limited Partnership has contingent liabilities in respect of legal claims, guarantees, and warranties arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities.

14. Related party transactions

As of 31 March 2017, an amount of **£131,000** (2016: £131,000) was due from Ebbsfleet Investment (GP) Limited, a related party, in relation to working capital loans. There was no movement in this balance during the year (2016: no movement). The loan is interest free and repayable on demand with no fixed repayment dates.

During the year, loans of **£31,960** (2016: £147,096) were granted to the company for working capital purposes by Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited, who are General Partners of the company. At the year-end, a balance of **£1,443,189** (2016: £1,411,229) remained outstanding. The amounts owed to related parties are repayable on demand with no fixed repayment date or interest charged.

As of 31 March 2017, an amount of **£178,826** (2016: £65,511) was due from Land Securities Properties Limited, a related party, in relation to working capital requirements.

15. Ultimate controlling party

The Limited Partnership is jointly owned by Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited. Therefore, there is no ultimate controlling party.