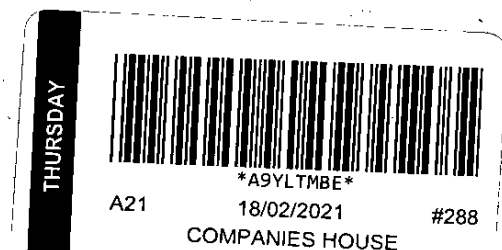


Registered number: 04221928

EBBSFLEET INVESTMENT (GP) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020



EBBSFLEET INVESTMENT (GP) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors of Ebbsfleet Investment (GP) Limited ('the Company') present their report with the audited financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the audited 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 (IFRSs), as adopted by the European Union. 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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Principal activity, review of the business and future developments

The Company has continued its business as General Partner to The Ebbsfleet Limited Partnership and as an investment holding Company. No changes to the Company's principal activity are anticipated in the foreseeable future.

Going Concern

Given the significant impact of Covid-19 on the macro-economic conditions in which the Company is operating, the Directors have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2020. The directors are closely monitoring the impact of Covid-19 on the Company and, given the Company's operating model, believe that the Company has sufficient resources to meet its obligations as they fall due for 12 months after the date of approval of the financial statements. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

Results for the year and dividend

The results are set out in the Statement of Comprehensive Income on page 5.

The directors do not recommend the payment of a dividend for the year ended 31 March 2020 (2019: £Nil).

Events after the end of the reporting period

On 30 October 2020, the Company exchanged on an option agreement to sell access rights relating to land at Ebbsfleet Valley, North Kent to a third party.

Directors

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

J F Bowater
D J Heaford
T R Last
N Bates (appointed 26 September 2019)
C Clarke (resigned 26 September 2019)

Indemnity

The Company has made qualifying third-party indemnity provisions for the benefit of the respective which directors 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.

EBBSFLEET INVESTMENT (GP) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

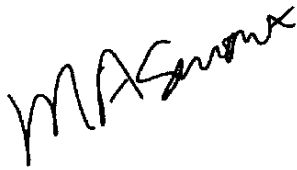
Strategic report

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



Registered Office
100 Victoria Street
London
SW1E 5JL

By order of the Board
M Smout, for and on behalf of LS Company Secretaries Limited
Company Secretary

Date: 07 January 2021

Registered and domiciled in England and Wales
Registered number: 04221928

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EBBSFLEET INVESTMENT (GP) LIMITED

Opinion

We have audited the financial statements of Ebbsfleet Investment (GP) Limited for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, Statement of Cash Flows and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit 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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EBBSFLEET INVESTMENT (GP) LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of members

As explained more fully in the director's report set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Ernst & Young LLP

Claire Johnson (Senior statutory auditor)

For and on behalf of
Ernst & Young LLP, Statutory Auditor

London

Date: 08 January 2021

EBBSFLEET INVESTMENT (GP) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Revenue	4	41,820	66
Gross profit		41,820	66
Management and administrative expenses		(3,109)	(2,045)
Gain on investment in a participating interest	8	4,057	-
Reversal/(provision) for impairment in value of investment in a participating interest	8	17,749	(262)
Profit/(loss) before tax		60,517	(2,241)
Taxation	6	(4,461)	-
Profit/(loss) for the financial year		56,056	(2,241)
Other comprehensive income:			
Revaluation deficit of other investments	9	(842)	(149)
Loss on disposal of other investments	9	-	(415)
Total comprehensive income/(loss) for the financial year		55,214	(2,805)

All amounts are derived from continuing activities.

EBBSFLEET INVESTMENT (GP) LIMITED
REGISTERED NUMBER: 04221928

BALANCE SHEET
AS AT 31 MARCH 2020

	Notes	2020 £	2019 £
Non-current assets			
Investment in subsidiary undertakings	7	4	4
Investment in a participating interest	8	5	103,199
Other investments	9	7,748	8,590
		<u>7,757</u>	<u>111,793</u>
Current assets			
Trade and other receivables	10	2,233	2,244
Amounts due from related parties	11	40,829	5,027
		<u>43,062</u>	<u>7,271</u>
Current liabilities			
Trade and other payables	12	(4,461)	(2,045)
Amounts owed to related parties	13	(12,739)	(138,614)
		<u>(17,200)</u>	<u>(140,659)</u>
Net assets		<u>33,619</u>	<u>(21,595)</u>
Capital and reserves			
Share capital	15	4	4
Retained earnings/(loss)		33,615	(21,599)
Total equity		<u>33,619</u>	<u>(21,595)</u>

The financial statements on pages 5 to 15 were approved by the Board of Directors on 07 January 2021 and were signed on its behalf by:



T R Last
Director



N Bates
Director

EBBSFLEET INVESTMENT (GP) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Retained (loss)/earnings	Total
	£	£	£
At 1 April 2018	4	(18,794)	(18,790)
Loss for the financial year	-	(2,241)	(2,241)
Fair value reduction of other investments	-	(149)	(149)
Loss on disposal of other investments	-	(415)	(415)
At 31 March 2019	4	(21,599)	(21,595)
Profit for the financial year	-	56,056	56,056
Fair value reduction of other investments	-	(842)	(842)
At 31 March 2020	4	33,615	33,619

EBBSFLEET INVESTMENT (GP) LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Profit/(loss) before tax		60,517	(2,241)
Adjustments for:			
Impairment (gain)/loss in valuation of joint venture	8	(17,749)	262
Gain on investment in participating interest	8	(4,057)	-
Changes in working capital:			
(Increase) in receivables	10,11	(35,791)	(1,373)
(Decrease)/increase in payables	12,13	(123,459)	1,990
Tax paid	6,12	(4,461)	-
Net cash generated from operating activities		(125,000)	(1,362)
Cash flows from investing activities			
Disposal of other investments		-	1,362
Capital reduction in investment in joint venture		125,000	-
Net cash inflow from investing activities		125,000	1,362
Net movement in cash and cash equivalents for the year		-	-
Cash and cash equivalents at the beginning of the year		-	-
Cash and cash equivalents at the end of the year		-	-

EBBSFLEET INVESTMENT (GP) LIMITED

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

1. Accounting policies

1.1 Basis of preparation

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

Ebbsfleet Investment (GP) Limited ('the Company') is a private company limited by shares and is incorporated, domiciled and registered in England and Wales (Registered number: 04221928). The nature of the Company's operations is set out in the Directors' Report on page 1.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2020. The financial statements are prepared in Pounds Sterling (£).

1.2 Group accounts

The financial statements present information about the Company as an individual undertaking as at 31 March 2020, and not about its Group. The Company has not prepared Group accounts in accordance with the special provisions relating to small groups within Part 15 of the Companies Act 2006.

1.3 Investment in subsidiary undertakings

Investment in subsidiary undertakings are stated at cost in the Company's Balance Sheet, less any provision for impairment in value.

1.4 Investment in a participating interest

Investment in a participating interest is carried at cost, less any repayment of capital and provision for impairment in value.

1.5 Other investments

Other investments are financial assets held at fair value. Changes to fair value are recorded within other comprehensive income

1.6 Income from quoted investments

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

1.7 Going Concern

Given the significant impact of Covid-19 on the macro-economic conditions in which the Company is operating, the Directors have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2020. The directors are closely monitoring the impact of Covid-19 on the Company and, given the Company's operating model, believe that the Company has sufficient resources to meet its obligations as they fall due for 12 months after the date of approval of the financial statements. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

1.8 Expenses

Management and administrative expenditure is expensed as incurred.

1.9 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. The Company assesses on a forward-looking basis, the expected credit losses associated with its trade receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. If collection is expected in more than one year, the balance is presented within non-current assets

In determining the expected credit losses, the Company takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements and market expectations and trends in the wider macro-economic environment in which our customers operate.

Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended. Receivables written off are no longer subject to any enforcement activity.

EBBSFLEET INVESTMENT (GP) LIMITED

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

1. Accounting policies (continued)

1.10 Impairment

The carrying amounts of the Company's non-financial assets 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 Statement of Comprehensive Income 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.

1.11 Provisions

A provision is recognised in the Balance Sheet when the Company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where relevant, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.12 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.

1.13 Related party loans

Amounts owed to related parties

Amounts owed to related parties are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts owed to related parties are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the Statement of Comprehensive Income over the period of the loan, using the effective interest method.

Amounts due from related parties

Amounts due from related parties are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts due from related parties are stated at amortised cost and, where relevant, adjusted for the time value of money. The Company assesses on a forward-looking basis, the expected credit losses associated with its amounts due from related parties. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the amounts due. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses, the Company takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty.

1.14 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 the amortised cost method using the effective interest rate.

1.15 Dividends

Final dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

EBBSFLEET INVESTMENT (GP) LIMITED

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

2. Changes in accounting policies and standards

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, the impact of which is outlined below.

Changes in accounting policy

The Company has adopted IFRS 16 on 1 April 2019. There has been no net impact on Total Comprehensive Income or on the Company's balance sheet.

Amendments to IFRS

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Company none of which are expected to have a material impact on the financial statements of the Company.

3. Significant accounting judgements and estimates

The Company's significant accounting policies are stated in note 1 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 estimates involve assumptions or judgements in respect of future events. Actual results may differ from these estimates.

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 by assessing on a forward-looking basis, the expected credit losses associated with its trade receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. In determining the expected credit losses, the Company takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements and market expectations and trends in the wider macro-economic environment in which our customers operate. These assessments are made on a customer by customer basis.

(b) Amounts due from related parties

The Company is required to judge when there is sufficient objective evidence to require the impairment of amounts due from related parties. It does this by assessing on a forward-looking basis, the expected credit losses associated with its amounts due from related parties. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the amounts due. In determining the expected credit losses, the Company takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty.

4. Revenue

	2020 £	2019 £
Income from quoted investments	18	66
Distributions from The Ebbsfleet Limited Partnership	41,802	-
	<u>41,820</u>	<u>66</u>

EBBSFLEET INVESTMENT (GP) LIMITED

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

5. Management and administrative expenses

(a) Management services

The Company had no employees during the year (2019: None)

(b) Directors' remuneration

The directors received no emoluments for their services to the Company (2019: £Nil).

(c) Auditor remuneration

The auditor's remuneration amounts to **£2,240** (2019: £2,045). No non-audit services were provided to the Company during the year (2019: None).

(d) Provision for impairment in value

A reversal of impairment of **£17,749** (2019: £262 impairment charge) in respect of an investment in a participating interest and a decrease in fair value of **£842** (2019: £149) in respect of an investment in quoted investments have been recognised in the Statement of Comprehensive Income for the year, based on movements in the underlying net assets of the respective investments.

6. Income tax

	2020 £	2019 £
Current tax		
Income tax on profit/(loss) for the year	4,461	-
Total income tax charge in the Statement of Comprehensive Income	4,461	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of **19%** (2019 - 19%) as set out below:

	2020 £	2019 £
Profit/(loss) before tax	60,517	(2,241)
Profit/(loss) before tax multiplied by UK corporation tax rate	11,498	(426)
Effects of:		
Non-taxable income	(11,924)	(13)
Dividends received	11,013	14
Utilisation of tax losses	(6,126)	425
Total tax charge in the Statement of Comprehensive Income (as above)	4,461	-

EBBSFLEET INVESTMENT (GP) LIMITED

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

7. Investment in subsidiary undertakings

	2020 £	2019 £
At the beginning of the year	4	4
At 31 March	4	4

The total cost of investment in subsidiary undertakings is £4 (2019: £4). The total provision for impairment of investment in subsidiary undertakings is £Nil (2019: £Nil). The directors believe that the carrying value of the investment is supported by the fair value of the subsidiary undertaking.

The investment in 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

All subsidiary undertakings are registered at 100 Victoria Street, London, SW1E 5JL.

8. Investment in a participating interest

	2020 £	2019 £
At the beginning of the year	103,199	103,461
Capital reduction	(125,000)	-
Impairment reversal/(charge)	17,749	(262)
Gain on investment in a participating interest	4,057	-
At 31 March	5	103,199

The Company holds a 0.5% participating interest in The Ebbsfleet Limited Partnership, a joint venture which draws up financial statements to 31 March. The Ebbsfleet Limited Partnership is a joint venture between Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited.

During the year, the Company made a gain on investment in the participating interest of £4,057 as a result of the return of the majority of partner's capital from The Ebbsfleet Limited Partnership.

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

9. Other investments

	2020 £	2019 £
At the beginning of the year	8,590	10,516
Disposal	-	(1,777)
Fair value reduction	(842)	(149)
At 31 March	7,748	8,590

Other investments comprise equity shares with a cost of £5,991 (2019: £5,991). These are listed on the London Stock Exchange and had a market value of £7,748 at 31 March 2020 (2019: £8,590).

EBBSFLEET INVESTMENT (GP) LIMITED

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

10. Trade and other receivables

	2020 £	2019 £
Accrued income	11	11
Other receivables	1,366	2,233
Social security and other tax assets	856	-
Total trade and other receivables	2,233	2,244

11. Amounts due from related parties

	2020 £	2019 £
Amounts due from Ebbsfleet Property Limited	5,027	5,027
Amounts due from The Ebbsfleet Limited Partnership	35,802	-
Total amounts due from related parties	40,829	5,027

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

12. Trade and other payables

	2020 £	2019 £
Accruals	-	2,045
Corporation tax payable	4,461	-
Total trade and other payables	4,461	2,045

13. Amounts owed to related parties

	2020 £	2019 £
Amounts owed to The Ebbsfleet Limited Partnership	-	131,000
Amounts owed to Land Securities Properties Limited	12,739	7,614
Total amounts owed to related parties	12,739	138,614

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

EBBSFLEET INVESTMENT (GP) LIMITED

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

14. Financial risk management

Financial risk management objectives and policies

The Company is exposed to minimal credit risk and liquidity risk due to the nature of the receivables and payables as detailed below. The Company's overall risk management strategy seeks to minimise the potential adverse effects of these on the Company's financial performance through established policies and procedures for managing each of these risks, which are summarised below.

The Company has trade and other receivables, amounts due from related parties, trade and other payables and amounts owed to related parties that arise directly from its operations. The carrying value equals the fair value of the trade receivables and trade payables due to their short-term nature.

Credit risk

The Company's principal financial assets are trade and other receivables and amounts due from related parties. Trade and other receivables and amounts due from related parties are presented in the balance sheet net of allowances for doubtful receivables. Impairment is made where there is objective evidence that the Company will not be able to collect all amounts due from the related party according to the original terms of the receivables concerned. The carrying amounts of the financial assets represent the best estimate of the maximum credit risk. In determining the expected credit losses, the Company takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty.

Liquidity risk

The Company is exposed to liquidity risk and needs to ensure that the cash flows from operations are sufficient to enable it to pay its trade and other payables. The Company carefully monitors actual cash flows against forecasts and budgets in order to manage this risk. Please also see the Directors' Report regarding going concern.

Capital management

The Company considers its capital to constitute Shareholders' capital. The primary objective of the Company's capital management is to ensure that the Company's commitments to its borrowings are met on a timely basis. For this purpose, the Company has entered into an agreement with another related party to ensure sufficient funds are available to meet the external obligations when these arise.

15. Ordinary share capital

	Authorised and issued		Allotted and fully paid	
	2020	2019	2020	2019
	Number	Number	£	£
Ordinary A shares of £1.00 each	2	2	2	2
Ordinary B shares of £1.00 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.

16. Related party transactions

As at 31 March 2020, an amount of **£12,739** was owed to (2019: £7,614) Land Securities Properties Limited. The net movement of **£5,125** (2019: £55) relates to working capital requirements.

As at 31 March 2020, an amount of **£35,802** was due from (2019: £131,000 owed to) The Ebbsfleet Limited Partnership, in relation to distributions made in the year.

As at 31 March 2020, an amount of **£5,027** was due from (2019: £5,027) Ebbsfleet Property Limited, in relation to the distributions from The Ebbsfleet Limited Partnership.

17. Ultimate controlling parties

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.

18. Events after the end of the reporting period

On 30 October 2020, the Company exchanged on an option agreement to sell access rights relating to land at Ebbsfleet Valley, North Kent to a third party.

THE EBBSFLEET LIMITED PARTNERSHIP
ACCOUNTS FORM PART OF THE EBBSFLEET
INVESTMENT (GP) LIMITED COMPANY ACCOUNTS.

Registered number: LP7664

THE EBBSFLEET LIMITED PARTNERSHIP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 4221928

THE EBBSFLEET LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT FOR THE YEAR ENDED 31 MARCH 2020

The General Partner of The Ebbsfleet Limited Partnership (the 'Limited Partnership') presents its report with the audited financial statements for the year ended 31 March 2020.

General Partner's responsibilities in respect of the preparation of the financial statements

The Limited Partnership is registered pursuant to the provisions of The Limited Partnerships Act 1907. Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulation 2008 requires the General Partner to prepare financial statements for each financial year. The Limited Partnership is a qualifying partnership as the General Partner is a limited company.

Ebbsfleet Investments (GP) Limited acting as the General Partner is responsible under the Limited Partnership Deed dated 14 March 2012 for the preparation of the Limited Partnership accounts in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs).

The General Partner is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Limited Partnership as at the end of the financial year and of the profit or loss of the Limited Partnership for that year. In preparing those 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Partnership will continue in business.

The General Partner is responsible for keeping proper 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 Limited Partnership and to enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. It is also responsible for safeguarding the assets of the Limited Partnership and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity, review of the business and future developments

The Limited Partnership's principal business is property development and investment in the United Kingdom. The Limited Partnership acts as an investment partnership to hold the economic interests of its partners as developers of Ebbsfleet. The Limited Partnership sold its property interest during the year, however the Limited Partnership is expected to continue in operation for the foreseeable future.

Going concern

Given the significant impact of Covid-19 on the macro-economic conditions in which the Limited Partnership is operating, the Directors of the General Partner have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2020. The directors are closely monitoring the impact of Covid-19 on the Limited Partnership and, given the Limited Partnership's operating model, believe that the Limited Partnership has sufficient resources to meet its obligations as they fall due for 12 months after the date of approval of the financial statements. Based on this, together with available market information and the Directors' knowledge and experience of the Limited Partnership, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

Results for the year and distributions

The results are set out in the Statement of Comprehensive Income on page 5.

The General Partner recommended the payment of a distribution of £7,763,000 for the year ended 31 March 2020 (2019: £Nil), after repayment of all the Partners' capital during the year.

Events after the end of the reporting period

On 30 October 2020, the General Partner exchanged on an option agreement to sell access rights relating to land at Ebbsfleet Valley, North Kent to a third party.

Small companies exemption

The General Partners' 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.

THE EBBSFLEET LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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%

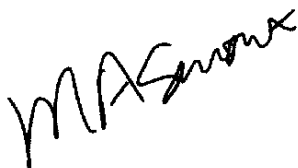
Indemnity

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

Statement of disclosure of information to auditor

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

- 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 ought to have been taken as a director in order to be 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

M Smout, for and on behalf of LS Company Secretaries Limited,
Company Secretary

Date: 07 January 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EBBSFLEET LIMITED PARTNERSHIP

Opinion

We have audited the financial statements of The Ebbsfleet Limited Partnership (the 'Limited Partnership') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, Statement of Cash Flows and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 2020 and of its profit 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 as applied to qualifying partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; *or*
- the General Partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Limited Partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the General Partner's report set out on pages 1 and 2, other than the financial statements and our auditor's report thereon. The members are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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; and
- the General Partner's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EBBSFLEET LIMITED PARTNERSHIP (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the General Partner's report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnership 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small companies exemptions in preparing the General Partner's report and from the requirement to prepare a strategic report.

Responsibilities of members

As explained more fully in the General Partner's report set out on page 1, the directors of the General Partner are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Limited Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the Limited 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 Limited Partnership and the Limited Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Claire Johnson (Senior statutory auditor)

For and on behalf of
Ernst & Young LLP, Statutory Auditor

London

Date: 08 January 2021

THE EBBSFLEET LIMITED PARTNERSHIP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £000	2019 £000
Revenue	3	34,088	4
Costs	3	(22,490)	(32)
Gross profit/(loss)		11,598	(28)
Property management and administrative expenses		(5)	(24)
Profit/(loss) and total comprehensive income/(loss) for the financial year		11,593	(52)

There were no recognised gains and losses for 2020 or 2019 other than those included in the Statement of Comprehensive Income.

All amounts are derived from continuing activities.

THE EBBSFLEET LIMITED PARTNERSHIP
REGISTERED NUMBER: LP7664

BALANCE SHEET
AS AT 31 MARCH 2020

	Notes	2020 £000	2019 £000
Current assets			
Trading properties	5	-	21,778
Trade and other receivables	6	3	49
Amounts due from related parties	7	-	156
Cash and cash equivalents	8	661	388
		664	22,371
Current liabilities			
Trade and other payables	9	(253)	(288)
Amounts owed to related parties	10	(262)	(1,443)
		(515)	(1,731)
Net assets		149	20,640
Partners' funds			
Partners' capital accounts	12	-	24,321
Partners' current accounts	13	149	(3,681)
Total Partners' funds		149	20,640

The financial statements on pages 5 to 14 were approved by the General Partner on 07 January 2021 and were signed on its behalf by:



T R Last
Director
Ebbsfleet Investment (GP) Limited



N Bates
Director
Ebbsfleet Investment (GP) Limited

THE EBBSFLEET LIMITED PARTNERSHIP

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Partners' capital accounts £000	Partners' current account £000	Total £000
At 1 April 2018	24,321	(3,629)	20,692
Total comprehensive loss for the financial year	-	(52)	(52)
At 31 March 2019	24,321	(3,681)	20,640
Total comprehensive income for the financial year	-	11,593	11,593
Transactions with owners:			
General Partner Profit Share	-	(7,763)	(7,763)
Return of capital	(24,321)	-	(24,321)
At 31 March 2020	-	149	149

THE EBBSFLEET LIMITED PARTNERSHIP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Profit/(loss) transferred to Partners' current accounts		11,593	(52)
Changes in working capital:			
Decrease in receivables	6,7	202	237
(Decrease)/increase in payables	9,10	(1,216)	20
Profit on disposal of trading properties	5	(12,222)	-
Net cash (used in)/generated from operations		(1,643)	205
Disposal of trading properties	3	34,000	-
Net cash inflow from operating activities		32,357	205
Cash flows from financing activities			
Return of Partner capital	12	(24,321)	-
Dividends paid to Partners		(7,763)	-
Net cash outflow from financing activities		(32,084)	-
Increase in cash and cash equivalents for the year		273	205
Cash and cash equivalents at the beginning of the year		388	183
Cash and cash equivalents at the end of the year		661	388

THE EBBSFLEET LIMITED PARTNERSHIP

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

1. Accounting policies

1.1 Basis of preparation

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

The Ebbsfleet Limited Partnership (the 'Limited Partnership') is a qualifying limited partnership, registered in England and Wales (Registered number: LP7664). The nature of the Limited Partnership's operations is set out in the General Partner's Report on page 1.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2020. The financial statements are prepared in Pounds Sterling are rounded to the nearest thousand pounds (£'000).

1.2 Trading properties and long-term development contracts

Trading properties are those properties held for sale, or those being developed with a view to sell. Trading properties are recorded at the lower of cost and net realisable value. The net realisable value of a trading property is determined by a professional external valuer at each reporting date. If the net realisable value of a trading property is lower than its carrying value, an impairment loss is recorded in the Statement of Comprehensive Income. If, in subsequent periods, the net realisable value of a trading property that was previously impaired increases above its carrying value, the impairment is reversed to align the carrying value of the property with the net realisable value. Trading properties are presented on the Balance Sheet within current assets.

1.3 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. The Limited Partnership assesses on a forward-looking basis, the expected credit losses associated with its trade receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses, the Limited Partnership takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements and market expectations and trends in the wider macro-economic environment in which our customers operate.

Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended. Receivables written off are no longer subject to any enforcement activity.

1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or fewer.

1.5 Provisions

A provision is recognised in the Balance Sheet when the Limited Partnership has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where relevant, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.6 Going concern

Given the significant impact of Covid-19 on the macro-economic conditions in which the Limited Partnership is operating, the Directors of the General Partner have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2020. The directors are closely monitoring the impact of Covid-19 on the Limited Partnership and, given the Limited Partnership's operating model, believe that the Limited Partnership has sufficient resources to meet its obligations as they fall due for 12 months after the date of approval of the financial statements. Based on this, together with available market information and the Directors' knowledge and experience of the Limited Partnership, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

1.7 Revenue

Other property related income includes license fees. These fees are recognised over time, using time elapsed as the input method which measures the benefit simultaneously received and consumed by the customer, over the period the licensing services are provided.

Proceeds received on the sale of trading properties are recognised within Revenue, and the carrying value at the date of disposal is recognised within Costs.

1.8 Expenses

Property and contract expenditure is expensed as incurred.

THE EBBSFLEET LIMITED PARTNERSHIP

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

1. Accounting policies (continued)

1.9 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.

1.10 Related party loans

Amounts owed to related parties

Amounts owed to related parties are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts owed to related parties are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the Statement of Comprehensive Income over the period of the loan, using the effective interest method.

Amounts due from related parties

Amounts due from related parties are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts due from related parties are stated at amortised cost and, where relevant, adjusted for the time value of money. The Limited Partnership assesses on a forward-looking basis, the expected credit losses associated with its amounts due from related parties. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the amounts due. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses, the Limited Partnership takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty.

1.11 Distributions

Final distributions to the Partners are recognised as a liability in the Limited Partnership's financial statements in the period in which the distributions are approved. Interim distributions are recognised when paid.

2. Changes in accounting policies and standards

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, the impact of which is outlined below.

Changes in accounting policy

The Limited Partnership has adopted IFRS 16 on 1 April 2019. There has been no net impact on Total Comprehensive Income or on the Limited Partnership's balance sheet.

Amendments to IFRS

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Limited Partnership none of which are expected to have a material impact on the financial statements of the Limited Partnership.

3. Revenue and costs

	2020 £000	2019 £000
Revenue		
License income	2	3
Trading property sales proceeds	34,000	-
Other income	86	1
	34,088	4
Costs		
Trading stock cost of sales	(22,077)	-
Other direct property or contract expenditure	(413)	(32)
	11,598	(28)
Gross profit/(loss)		

Other direct property or contract expenditure are costs incurred during the development of the trading property. Legal fees and other non-recoverable costs are also included.

THE EBBSFLEET LIMITED PARTNERSHIP

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

4. Management and administrative expenses

(a) Management services

The Limited Partnership had no employees during the year (2019: None). Management services were provided to the Limited Partnership throughout the year by Land Securities Properties Limited, which is a related party.

(b) Directors' remuneration

The directors of the General Partner received no emoluments for their services to the Limited Partnership (2019: £Nil).

(c) Auditor remuneration

The auditor's remuneration amounts to **£2,240** (2019: £2,000). No non-audit services were provided to the Limited Partnership during the year (2019: None).

5. Trading properties

	2020 £000	2019 £000
At the beginning of the year	21,778	21,807
(Over-accrued) expenditure	-	(29)
Disposals	(21,778)	-
At 31 March	-	21,778

On 15 October 2019, the Limited Partnership disposed its freehold land interest for a consideration of **£34,000,000**.

6. Trade and other receivables

	2020 £000	2019 £000
Trade receivables	3	3
Prepayments	-	1
Other receivables	-	45
Total trade and other receivables	3	49

7. Amounts due from related parties

	2020 £000	2019 £000
Amounts due from Ebbsfleet Investment (GP) Limited	-	131
Amounts due from Land Securities Properties Limited	-	25
Total amounts due from related parties	-	156

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

THE EBBSFLEET LIMITED PARTNERSHIP

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

8. Cash and cash equivalents

	2020	2019
	£000	£000
Cash at bank and in hand	661	388
	661	388

9. Trade and other payables

	2020	2019
	£000	£000
Trade and other payables	37	266
Capital payables	-	4
Accruals and deferred income	216	18
Total trade and other payables	253	288

Capital payables represent amounts due under contracts to purchase properties, which were unconditionally exchanged at the year-end or for work completed on trading properties but not paid for at the year end. Deferred income principally relates to rents received in advance.

10. Amounts owed to related parties

	2020	2019
	£000	£000
Amounts owed to Limited Partners	200	1,443
Amounts owed to Land Securities Properties Limited	26	-
Amounts owed to Ebbsfleet Investment (GP) Limited	36	-
Total amounts due to related parties	262	1,443

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

THE EBBSFLEET LIMITED PARTNERSHIP

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

11. Financial risk management

Financial risk management objectives and policies

The Limited Partnership has trade and other receivables, amounts due to related parties and trade and other payables that arise directly from its operations. The carrying value equals the fair value of the trade and other receivables, amounts due to related parties and trade and other payables due to their short-term nature.

The Limited Partnership is exposed to a variety of financial risks: market risks (principally interest-rate risk), credit risk and liquidity risk. The Limited Partnership's overall risk management strategy seeks to minimise the potential adverse effects of these on the Limited Partnership's financial performance and includes the use of derivative financial instruments to hedge certain risk exposures. The Board reviews and has established policies and procedures for managing each of these risks and they are summarised below.

Credit risk

The Limited Partnership's principal financial asset is cash which has negligible credit risk. The Limited Partnership also has a small trade and other receivables balance. Trade receivables are presented in the balance sheet net of allowances for doubtful receivables. *Impairment is made 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.* The balance is low relative to the scale of the balance sheet and the credit risk of trade receivables is therefore considered to be low.

Liquidity risk

The Limited Partnership is exposed to liquidity risk and needs to ensure that the cash balances and cash flows from operations are sufficient to enable it to pay its trade and other payables. The Limited Partnership carefully monitors actual cash flows against forecasts and budgets in order to manage this risk.

Capital management

The Limited Partnership considers its capital to constitute Partners' capital. The primary objective of the Limited Partnership's capital management is to ensure that the Limited Partnership's property portfolio is appropriately supported by capital that is efficient and that seeks to reduce fluctuations in interest payments due to changes in external interest rates.

12. Partners' capital account

	Ebbsfleet Investment (GP) Limited £000	Land Securities Ebbsfleet Limited £000	Ebbsfleet Property Limited £000	Total £000
At the beginning of the year	125	12,098	12,098	24,321
Return of capital	(125)	(12,098)	(12,098)	(24,321)
At 31 March 2020	-	-	-	-

13. Partners' current accounts

	Land Securities Ebbsfleet Limited £000	Ebbsfleet Property Limited £000	Total £000
At the beginning of the year	(1,841)	(1,840)	(3,681)
Profit for the financial year	5,796	5,797	11,593
Dividend	(3,881)	(3,882)	(7,763)
At 31 March 2020	74	75	149

THE EBBSFLEET LIMITED PARTNERSHIP

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

14. Related party transactions

As of 31 March 2020, an amount of **£36,000** was owed to (2019: £131,000 due from) Ebbsfleet Investment (GP) Limited, a related party. The movement of **£167,000** (2019: £Nil) relates to the repayment of capital.

As of 31 March 2020, a balance of **£200,000** (2019: £1,443,000) was owed to Land Securities Ebbsfleet Limited and Ebbsfleet Property Limited, who are Limited Partners of the Limited Partnership. The movement of **£1,243,000** (2019: £Nil) relates to the repayment of the related party balances owed to the Limited Partners in order to pay out the distributions. This was offset by additional funds taken from the Limited Partners.

As of 31 March 2020, an amount of **£26,000** was owed to (2019: £25,000 due from) Land Securities Properties Limited, a related party. The movement of **£51,000** (2019: £Nil) relates 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.

The ultimate parent company of Land Securities Ebbsfleet Limited is Land Securities Group PLC. Consolidated financial statements for the year ended 31 March 2020 can be obtained from the Company Secretary at the registered office of the ultimate parent company, 100 Victoria Street, London SW1E 5JL.

Ebbsfleet Property Limited is owned 50% by Lafarge Building Materials Limited and 50% by Anglo American International Holdings Limited. The ultimate parent company of Lafarge Building Materials Limited is LafargeHolcim Limited. Consolidated financial statements for the year ended 31 December 2019 can be obtained from the Investor Relations Department, Zurcherstrasse 156, CH-8645 Jona, Switzerland. The ultimate parent company of Anglo American International Holdings Limited is Anglo American PLC. Consolidated financial statements for the year ended 31 December 2019 can be obtained from the Group Secretariat, 20 Carlton House Terrace, London SW1Y 5AN.

16. Events after the end of the reporting period

On 30 October 2020, the General Partner exchanged on an option agreement to sell access rights relating to land at Ebbsfleet Valley, North Kent to a third party.