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# **KXC (LCR) LP Investment Limited**

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## **Report and Financial Statements 31 March 2015**

Company Registration Number 6363094

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COMPANIES HOUSE

## **Directors & Secretary**

### **Directors**

D Joy

P Hawthorne

### **Company Secretary**

P Hawthorne

### **Registered Office**

4<sup>th</sup> Floor, One Kemble Street

London

WC2B 4AN

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## **Directors' Report**

The directors present their report together with the audited financial statements of the Company, for the year ended 31 March 2015.

### **Principal activities, review of business and future developments**

The company was established by London & Continental Railways Limited ('LCR'), in order to hold its interest in the real estate joint venture 'King's Cross Central Limited Partnership' ('KCCLP'), through ownership of a 36.5% share of capital in that partnership. The other joint venture partners are the Argent Group plc ('Argent') and Exel plc ('Exel').

The joint venture's activities will be limited to the ownership, development, operation, management and letting of land adjacent to King's Cross and St Pancras rail stations in central London known as 'King's Cross Central'. These activities are controlled by the King's Cross Central General Partner Limited, which is a partner of KCCLP.

The Company did not trade during the period and is not expected to carry on any activities in the short term. Any administrative costs are currently borne by the parent undertaking.

For tax purposes the Company is assessed on its share of the rental income and interest gains of the KCCLP Partnership, and has recognised a tax liability of £nil in these accounts.

### **Directors and their Interests**

The Directors who served during the period and to the date of approval of the financial statements were as follows:

D Joy  
P Hawthorne

None of the Directors who served during the period had any interest in the shares of this or any other group company. The Company has no employees.

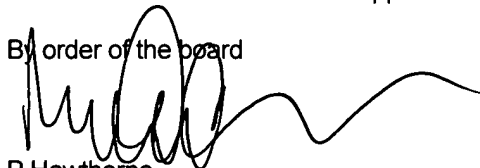
### **Disclosure of information to the auditor**

Each of the Directors at the date of the approval of the financial statements confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

A resolution has been made to appoint KPMG LLP as auditor.

By order of the board



P Hawthorne  
Company Secretary  
Registered Office: One Kemble Street, London, WC2B 4AN  
21 September 2015

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**Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Generally Accepted Accounting Practice; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Independent Auditor's report****to the member of KXC(LCR) LP Investment Limited**

We have audited the financial statements of KXC (LCR) LP Investment Limited for the year ended 31 March 2015 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's member, 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 member those matters we are required to state to it 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 member, 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 3, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**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 2015 and for the year then ended;
- the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- the financial statements 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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 by the parent company, 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.

  
**Shaun Kirby (Senior Statutory Auditor)****for and on behalf of KPMG LLP, Statutory Auditor***Chartered Accountants*

15 Canada Square, London, E14 5GL

28 September 2015

# KXC (LCR) LP INVESTMENT LIMITED

REGISTERED NUMBER 6363094

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## Profit & Loss Account

For the year ended 31 March 2015

	Note	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Interest payable	2	-	(175)
Results for the period before tax		-	(175)
Taxation	3	-	(209)
<b>Results for the period after tax</b>	<b>9</b>	<b>-</b>	<b>(384)</b>

There is no movement in equity in the year, and accordingly a separate Statement of Changes in Equity is not presented.

**KXC (LCR) LP INVESTMENT LIMITED**

REGISTERED NUMBER 6363094

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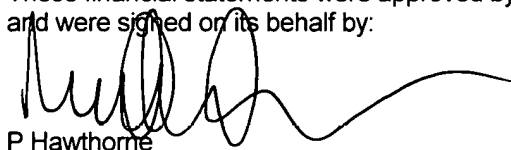
**Balance Sheet**

As at 31 March 2015

	Note	31 March 2015 £	31 March 2014 £
<b>FIXED ASSETS</b>			
Investments	4	51,483,613	51,483,613
<b>CURRENT ASSETS</b>			
Debtors	5	2	2
<b>TOTAL ASSETS</b>		51,483,615	51,483,615
Current liabilities	6	(73)	(73)
<b>Total assets less current liabilities</b>		51,483,542	51,483,542
Creditors: amounts falling due after more than one year	7	(61,569,434)	(61,569,434)
<b>NET LIABILITIES</b>		(10,085,892)	(10,085,892)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2	2
Profit and loss account	9	(10,085,894)	(10,008,894)
		(10,085,892)	(10,085,892)

The notes on pages 8 to 10 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 21 September 2015 and were signed on its behalf by:



P Hawthorne  
Director

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**Reconciliation of movement in shareholder's funds**

	Year ended 31 March 2015 £'000	Year ended 31 March 2014 £'000
Opening shareholder's funds	(10,085,892)	(10,085,508)
Loss for the year after tax	-	(384)
<b>Closing shareholder's funds</b>	<b>(10,085,892)</b>	<b>(10,085,892)</b>



**Notes to the Accounts**

at 31 March 2015

**1. Principal accounting policies***Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard ('FRS') 1 (Revised) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a parent company which has produced a group cash flow statement in accordance with the Standard.

*Group support*

At 31 March 2015, the Company had net liabilities. The financial statements have been prepared on a going concern basis. The immediate parent undertaking, LCR, has confirmed its intention to provide financial support to the Company as may be required in order that it can continue to meet its liabilities as they fall due for as long as it remains a member of the LCR group.

*Operating costs*

	<b>Year to 31 March 2015 £</b>	<b>Year to 31 March 2014 £</b>
Audit fee	3,000	3,000

The audit fee for the financial statements for the year to 31 March 2015 was borne by LCR and disclosed within the financial statements of LCR.

**2. Interest payable**

	<b>Year to 31 March 2015 £</b>	<b>Year to 31 March 2014 £</b>
Interest payable	-	175

**3. Taxation**

	<b>Year to 31 March 2015 £</b>	<b>Year to 31 March 2014 £</b>
UK corporation tax:		
Tax on results – current tax charge	-	(209)

**Notes to the Accounts (continued)****3 Taxation (continued)**

	Year to 31 March 2015 £	Year to 31 March 2014 £
Current tax reconciliation:		
Results from ordinary activities before tax	-	(175)
Current tax credit at 21% (2014 23%)	-	40
Effects of:		
Share of KCCLP partnership taxable gains	-	(249)
Total current tax charge	-	(209)

**4. Investments**

	31 March 2015 £	31 March 2014 £
36.5% of King's Cross Central Limited Partnership ('KCCLP'), comprising:		
Initial partnership capital advanced	3,648	3,648
Founder units in King's Cross Central Property Trust	365	365
Units in King's Cross Central Property Trust	51,479,600	51,479,600
	51,483,613	51,483,613

In 2009 the Company was issued with KCCLP units to the value of £102.96 million, in consideration for the sale of land at King's Cross by LCR to KCCLP. Subsequently the Company sold half of its units to Argent for £41.47 million, incurring a book loss of £10.00 million. The Company continues to hold the remaining investment at cost of £51.5 million, which represents a 36.5% holding in KCCLP.

**5. Debtors**

	31 March 2015 £	31 March 2014 £
Owed by parent undertaking for shares	2	2
	2	2

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

	31 March 2015 £	31 March 2014 £
Current taxation	-	-
Interest payable	73	73
	73	73

**Notes to the Accounts (continued)****7. Creditors: amounts falling due after more than one year**

	<b>31 March 2015 £</b>	<b>31 March 2014 £</b>
Amounts due to parent undertaking	61,569,434	61,569,434
	<u>61,569,434</u>	<u>61,569,434</u>

This long term loan would be repayable to LCR from future disposals or distributions from KCCLP, and bears no interest.

**8. Share Capital**

	<b>31 March 2015 £</b>	<b>31 March 2014 £</b>
Authorised and issued: 2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

**9. Profit and loss account**

	<b>31 March 2015 £</b>	<b>31 March 2014 £</b>
Balance brought forward (see Note 4)	(10,085,894)	(10,085,510)
Results for the year after taxation	-	(384)
<b>Balance carried forward</b>	<u>(10,085,894)</u>	<u>(10,085,894)</u>

**10. Parent undertaking and controlling parties**

At 31 March 2015, the Company's sole shareholder was London & Continental Railways Limited, a company registered in England and Wales. The Company's ultimate parent undertaking was the Secretary of State for Transport.