

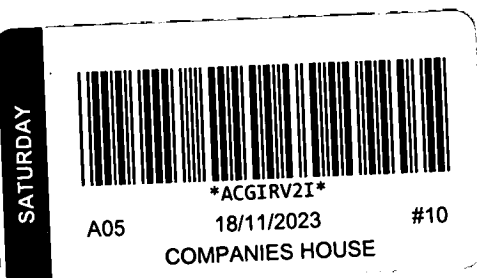
King's Cross

Company Registration No. 12305611

KC (SPH) GP Limited

Directors' Report and Financial Statements

For the year ended 31 March 2023



King's Cross

KC (SPH) GP Limited

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King's Cross

KC (SPH) GP Limited

Directors' Report

The directors present their directors' report and the unaudited financial statements of KC (SPH) GP Limited ("the Company") for the year ended 31 March 2023.

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

Principal activities

The principal activity of the Company is to act as the General Partner of KC (SPH) Limited Partnership (No. LP020656) ("the Limited Partnership"), whose principal activity is the development and investment in buildings on the St Pancras Hospital site adjacent to the King's Cross Estate.

Results

The results for the year are set out on page 2.

Directors

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

J Bednall	
P R Clark	
Sir D C Clementi	
N C Deacon	
R M Evans	
C L McConville	
N P Searl	(Alternate Director)
C M Taylor	
K A Wilman	(appointed 8 May 2023)
C R A Darroch	(resigned 8 May 2023)
S J Doughty	(resigned 31 December 2022)
P G Freeman	(resigned 4 November 2022)
M B Lightbound	(resigned 4 November 2022) (Alternate Director)

Audit

For the financial year ended 31 March 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

Robert Evans

R M Evans
Director

05 November 2023

Registered office:
4 Stable Street
London
N1C 4AB

King's Cross

KC (SPH) GP Limited

Statement of Comprehensive Income for the year ended 31 March 2023

		2023	2022
	Note	£	£
Rental income		-	-
Cost of sales		-	-
Gross profit		<u>-</u>	<u>-</u>
Administrative expenses		(200)	-
Operating loss		<u>(200)</u>	<u>-</u>
Fair value movement of financial instruments	4	417	311
Profit for the year		<u>217</u>	<u>311</u>
Other comprehensive income		-	-
Total comprehensive income		<u><u>217</u></u>	<u><u>311</u></u>

All amounts derive from continuing operations.

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

King's Cross

KC (SPH) GP Limited

Balance Sheet for the year ended 31 March 2023

		2023	2022
	Notes	£	£
Non-current assets			
Investments in associate	4	805	388
Current assets			
Debtors	5	35	1
Cash at bank		70	
Total assets		<u>910</u>	<u>389</u>
Current liabilities	6	(305)	-
Net assets		<u>605</u>	<u>389</u>
Capital and reserves			
Called up share capital	7	1	1
Retained earnings		604	388
Shareholders' funds		<u>605</u>	<u>389</u>

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

The Company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 March 2023.

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

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

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

These financial statements of KC (SPH) GP Limited (Company No: 12305611) were approved by the Board of Directors on 05 November 2023 and signed on their behalf by:

Robert Evans

R M Evans
Director

Date: 05 November 2023

KC (SPH) GP Limited

Notes to the Financial Statements for the year ended 31 March 2023

1. Accounting policies

Company information

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

(a) Basis of preparation

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

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

The principal accounting policies adopted are set out below.

(b) Going concern

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

(c) Investments in associate

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

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

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

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

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

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

(d) Financial instruments

Financial assets

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

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

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

KC (SPH) GP Limited**Notes to the Financial Statements (continued)
for the year ended 31 March 2023***Loans and receivables*

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

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

Impairment of financial assets

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

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

De-recognition of financial assets

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

Financial liabilities

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

Other financial liabilities

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liabilities

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

2. Judgement and key sources of estimation and uncertainty

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

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

Investment in associate

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

King's Cross

KC (SPH) GP Limited

Notes to the Financial Statements (continued) for the year ended 31 March 2023

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

3. Employees

The Company did not employ any staff during the current or preceding year. None of the directors received any remuneration or other emoluments in respect of their services to the Company (2022: £Nil).

4. Investment in associate

	2023 £	2022 £
At 1 April	388	77
Movement in the year	417	311
At 31 March	805	388

The investment represents a 0.01% interest in the Limited Partnership registered in England (number LP020656) under the Limited Partnership Act 1907, whose principal activity is the development and investment in buildings on the St Pancras Hospital site adjacent to the King's Cross Estate.

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

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

5. Debtors

	2023 £	2022 £
VAT receivable	34	-
Unpaid share capital	1	1
	35	1

King's Cross

KC (SPH) GP Limited

Notes to the Financial Statements (continued) for the year ended 31 March 2023

6. Current liabilities

	2023 £	2022 £
Amounts owed to group undertakings	(304)	-

7. Share capital

	2023 £	2022 £
Allotted and called up:		
1 ordinary share of £1	1	1

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

8. Ownership

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

9. Related parties

The Company's related party transactions during the current and prior year are with KCCGP, KC (SPH) Limited Partnership, and King's Cross Central Limited Partnership, being the beneficial owner of KC (SPH) Limited Partnership, as disclosed in the primary financial statements and notes 4, 5, and 6.

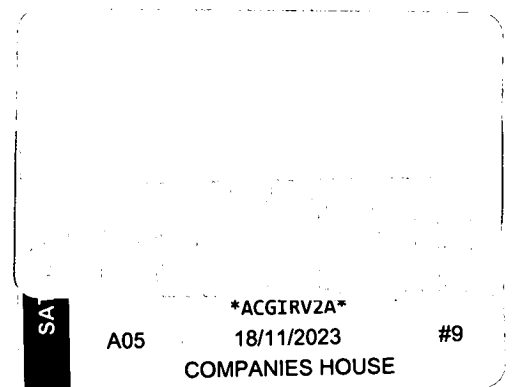
King's Cross

Registered No. LP020656

KC (SPH) Limited Partnership

General Partner's Report and Financial Statements

For the year ended 31 March 2023



KC (SPH) Limited Partnership

King's Cross

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King's Cross

KC (SPH) Limited Partnership

General Partner's Report

The Partnership is a Limited Partnership established on 18 November 2019 and registered in England and Wales under the Limited Partnership Act 1907.

KC (SPH) GP Limited ("the General Partner") presents its report and the unaudited financial statements of KC (SPH) Limited Partnership ("the Partnership") for the year ended 31 March 2023.

Principal activities

The principal activity of the Partnership is the development of and investment in the St Pancras Hospital site. The Partnership holds the asset as a development cost on the balance sheet until the commencement of construction on the site.

Results

The results for the year are set out on page 2. The Partnership generated a loss for the year of £Nil (2022: £Nil). The Partnership has net assets of £8.05 million (2022: £3.88 million).

Going concern

The Partnership is reliant on funding for its working capital from King's Cross Central Limited Partnership, which has indicated that for at least 12 months from the date of approval of these financial statements, it intends to make available such funds as are needed by the Partnership.

The General Partner has considered the cash requirements of the Partnership for at least 12 months from the date of approval of the financial statements. Whilst performing this review the General Partner has taken account of the risks that the Partnership faces. The General Partner has therefore modelled a severe but plausible downside. The results of this forecast indicate that the Partnership would continue to be able to meet its obligations as they fall due.

The General Partner therefore considers the Partnership will be able to settle its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and that it is appropriate to prepare these financial statements on a going concern basis.

Audit

The Partnership is entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies, as applied to qualifying partnerships.

By order of the board

Robert Evans

R M Evans

for and on behalf of KC (SPH) GP Limited

Date: 05 November 2023

King's Cross

KC (SPH) Limited Partnership

Statement of Comprehensive Income for the year ended 31 March 2023

		2023	2022
	<i>Note</i>	£000	£000
Rental income		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	2	-	-
Operating profit		-	-
Revaluation of investment properties		-	-
Finance costs		-	-
Profit for the year		-	-

All activities during the current and prior year are derived from continuing operations.

The notes set out on pages 5 to 9 form part of these financial statements.

KC (SPH) Limited Partnership**King's Cross****Balance Sheet
as at 31 March 2023**

	Notes	2023 £000	2022 £000
Current assets			
Development costs	3	8,265	3,971
Trade and other receivables	4	96	-
Cash at bank		5	-
Total assets		<u>8,366</u>	<u>3,971</u>
Current liabilities	5	(317)	(96)
Total liabilities		<u>(317)</u>	<u>(96)</u>
Net assets		<u>8,049</u>	<u>3,875</u>
Partners' Accounts			
Current account		<u>8,049</u>	<u>3,875</u>
General Partner's Interests		<u>8,049</u>	<u>3,875</u>

The notes set out on pages 5 to 9 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime, as applied to qualifying partnerships.

The financial statements of KC (SPH) Limited Partnership (LP020656) were approved and authorised for issue on 05 November 2023 and were signed by:

Robert Evans

R M Evans
for and on behalf of
KC (SPH) GP Limited

Date:

King's Cross

KC (SPH) Limited Partnership

Statement of Changes in Partner' Accounts for the year ended 31 March 2023

	2023 £000	2022 £000
Partners' Accounts at the beginning of the year	3,875	765
Partner advances in the year	4,174	3,110
Net profit attributable to Partners during the year	-	-
	<hr/>	<hr/>
Partners' Accounts at the end of the year	8,049	3,875
	<hr/>	<hr/>

The notes set out on pages 5 to 9 form part of these financial statements.

KC (SPH) Limited Partnership**Notes to the Financial Statements (continued)
for the year ended 31 March 2023****1 Accounting policies****Partnership information**

The Partnership is a limited partnership registered in England and Wales under the Limited Partnership Act 1907. The registered office is 4 Stable Street, London, NIC 4AB.

(a) Basis of preparation

The financial statements for the year ended 31 March 2023 are prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102").

The financial statements are prepared in £ sterling, which is the functional currency of the Partnership. Monetary amounts in these financial statements are rounded to the nearest thousand.

The financial statements are prepared on the historical cost basis, other than the revaluation of investment properties and certain financial instruments.

The accounting policies have been consistently applied to the results, assets and liabilities of the Partnership.

The Partnership is a qualifying entity for the purpose of FRS 102, being a member of a group where the group prepares publicly available consolidated financial statements, including this Partnership, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Partnership has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'statement of Cashflows' – Presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gain/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the profit or loss and in other comprehensive income.

The financial statements of the Partnership are consolidated in the financial statements of King's Cross Central Limited Partnership. These consolidated accounts are available from Companies House.

(b) Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the General Partner to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. There are no areas where assumptions and estimates are considered to be significant for the current and prior year.

KC (SPH) Limited Partnership**King's Cross****Notes to the Financial Statements (continued)
for the year ended 31 March 2023****Accounting policies (continued)****(c) Going concern**

The General Partner has considered the cash requirements of the Partnership for at least 12 months from the date of approval of the financial statements. Whilst performing this review the General Partner has taken account the risks that the Partnership faces.

The Partnership is reliant on funding for its working capital from King's Cross Central Limited Partnership, which has indicated that for at least 12 months from the date of approval of these financial statements, it intends to make available such funds as are needed by the Partnership. The General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Therefore, the General Partner has adopted a going concern basis in preparing the Partnership's financial statement.

(d) Development costs

Development costs incurred before land is acquired and projects commence are capitalised if it is sufficiently probable that the project will go ahead. They are initially recognised at cost and then allocated to the project as inventory or investment property on its commencement. The costs are written off if the project is no longer sufficiently probable to proceed or is cancelled.

(e) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Impairment

Carrying amounts of the Partnership's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

The recoverable amount of the Partnership's receivables is calculated at the present value of expected future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. An impairment loss in respect of a receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

(g) Financial instruments*Financial assets*

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

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

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

KC (SPH) Limited Partnership**Notes to the Financial Statements (continued)
for the year ended 31 March 2023****1 Accounting policies (continued)***Loans and receivables*

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

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

Impairment of financial assets

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

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

De-recognition of financial assets

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

Financial liabilities

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

Other financial liabilities

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liabilities

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

(h) Interest-bearing borrowings and derivative financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Derivative financial instruments are recognised at fair value. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged. The gain or loss on re-measurement to fair value is recognised immediately in profit and loss unless hedge accounting is adopted.

(i) Finance costs

All finance costs incurred in relation to investment properties and investment properties in the course of construction are expensed in the profit and loss.

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KC (SPH) Limited Partnership

Notes to the Financial Statements (continued) for the year ended 31 March 2023

1 Accounting policies (continued)

(j) Taxation

No provision is made in the financial statements for the liabilities of the partners for income or capital gains taxes since such liabilities are the responsibility of each partner.

2 PARTNERS AND STAFF

None of the partners during the year received any remuneration or other emoluments in respect of their services to the Partnership (2022: £Nil). The Partnership did not employ any staff during the current or prior year.

3 DEVELOPMENT COSTS

	2023	2022
	£000	£000
Development costs	8,265	3,971
	<u>8,265</u>	<u>3,971</u>

Development costs are those capitalised in respect of the St Pancras Hospital site.

4 TRADE AND OTHER RECEIVABLES

	2023	2022
	£000	£000
VAT receivable	96	-
	<u>96</u>	<u>-</u>

5 CURRENT LIABILITIES

	2023	2022
	£000	£000
Accruals and deferred income	317	96
	<u>317</u>	<u>96</u>

KC (SPH) Limited Partnership

King's Cross

Notes to the Financial Statements (continued) for the year ended 31 March 2023

6 OWNERSHIP

The sole Limited Partner is KC (SPH) Holdco Limited (company registration 12305765) which is holding the interest on behalf of King's Cross Central Limited Partnership ("KCCLP"), a Limited Partnership established on 29 November 2007 and registered in England and Wales under the Limited Partnership Act 1907. The sole Limited Partner of KCCLP is King's Cross Central Property Trust, a unit trust established in Jersey.

7 RELATED PARTIES

The Partnership's related party transactions during the current and preceding year are with its Limited Partner, KCCLP and KC (SPH) GP Limited, as disclosed in the primary financial statements and corresponding notes.