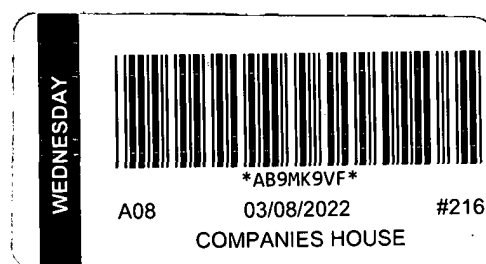




Limited Liability Partnership Registration No. OC430639

Argent King's Cross GP LLP

Members' Report and Consolidated Financial Statements
Year ended 31 December 2021





ARGENT

Argent King's Cross GP LLP

Report and consolidated financial statements 2021

Contents	Page
Members' report	1
Statement of members' responsibilities	3
Independent auditor's report to the members of Argent King's Cross GP LLP	4
Consolidated profit and loss account	8
Consolidated balance sheet	9
LLP balance sheet	10
Consolidated and LLP statement of changes in members' interests	11
Consolidated cash flow statement	122
LLP cash flow statement	13
Notes to the financial statements	144



Argent King's Cross GP LLP

Members' report

The members present their report and the audited consolidated financial statements for the year ended 31 December 2021 for Argent King's Cross GP LLP ("the LLP") and "the group", consisting of the LLP, Argent (King's Cross) Limited ("AKXL") and Argent King's Cross Nominee Limited. The comparative figures are for the period from incorporation on 11 February 2020 to 31 December 2020.

The financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102) as detailed in note 1 to the financial statements.

Principal activities

The principal activity of the LLP is to act as the General Partner for the Argent King's Cross Limited Partnership ("the Limited Partnership") (LP012725). On 24 February 2020, the business, assets and liabilities of AKXGP Limited were transferred to the LLP as agreed in the Business Transfer Agreement, at which time the LLP replaced AKXGP Limited as general partner of the Limited Partnership.

The Limited Partnership has an indirect interest in King's Cross Central Limited Partnership ("KCCLP"). KCCLP's principal activity is the development of and investment in the King's Cross mixed use scheme between and to the north of St Pancras International and King's Cross Stations. The members expect the LLP to continue this activity for the foreseeable future.

There exists a management agreement between the LLP and AKXL, under which the LLP is entitled to certain fees arising in connection with AKXL's provision of development and asset management services to KCCLP, payable via the Limited Partner, per the Limited Partnership Agreement.

Going concern

The continuation of the LLP as a going concern is dependent on the continued operations of the Limited Partnership. As set out in the financial statements of the Limited Partnership, the general partner of that Limited Partnership has prepared those financial statements on a going concern basis because it considers that the limited partners in that Limited Partnership will be able to continue to provide sufficient capital to allow them to settle liabilities as they as they fall due for at least 12 months from the date of approval of those financial statements.

The members therefore consider that, having made enquiries, it is appropriate to prepare these financial statements on a going concern basis.

Key Performance Indicators ("KPIs")

The following KPIs are used by the members to monitor the LLP:

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Profit/(loss) after tax for the year	3,676	7,430	11,508	(49,927)
Net assets	111,106	107,430	61,581	50,073

Designated members

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

R M Evans*
 A Gibbs*
 D J G Partridge*
 M I Freeman
 P G Freeman
 A J Giddings
 R N Madelin
 A J S Prower
 Argent Nominee 2 Limited
 Britel Fund Trustees Limited

*These members are the designated members of the LLP



Argent King's Cross GP LLP

Members' report

Members' drawings, contributions and repayments

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business. All allocations of profit between members are defined in the LLP Agreement (dated 24 February 2020) and thus all payments are treated as an expense in the Consolidated profit and loss account.

A member's capital requirement is linked to their share of profit and the financing requirement of the LLP. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

Auditor

KPMG LLP were appointed as the auditor of the LLP in accordance with Section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of disclosure to the auditor

The members at the date of approval of this report confirm that:

- so far that the members are aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all steps that ought to have been taken in order to make themselves aware of any relevant audit information, and has established that the LLP's auditor is aware of that information.

Approved by the members and signed on their behalf by:

Robert Evans

R M Evans
Designated member

8 July 2022

4 Stable Street, London N1C 4AB



Argent King's Cross GP LLP

Statement of members' responsibilities

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102.

Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, the members are required to:

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

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of Argent King's Cross GP LLP

Opinion

We have audited the group and LLP financial statements of Argent King's Cross GP LLP ("the LLP") for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, LLP Statement of Financial Position, Consolidated and LLP Statement of Changes in Members' Interests and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and of the LLP as at 31 December 2021 and of the profit of the group for the year then ended;
- have been prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Inspection of high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Board minutes.

Independent Auditor's Report to the members of Argent King's Cross GP LLP

- Using analytical procedures to identify any usual or unexpected relationships.
- Considering performance targets and incentives for management.

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

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

We did not identify any additional fraud risks.

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

We also performed procedures including:

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

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

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

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

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

Firstly, the LLP is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation).

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

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

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

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

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

Independent Auditor's Report to the members of Argent King's Cross GP LLP

and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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

Other information

The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the LLP's individual financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 3, the members are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the LLP or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the members of Argent King's Cross GP LLP

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

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

11 July 2022



Argent King's Cross GP LLP

Consolidated profit and loss account for the year ended 31 December 2021

		Year to 31 December 2021 £	Period from 11 February 2020 to 31 December 2020 £
	Note		
Turnover	3	39,842,071	50,184,085
Cost of sales		(39,763,836)	(50,089,003)
Gross profit		78,235	95,082
Administrative expenses		(76,629)	(44,449)
Other income		5,000	5,000
Operating profit	3	6,606	55,633
Interest receivable		1,075	15,090
Gain on purchase of investment		-	88,351
Impairment of intangible assets		(4,005)	(87,115)
Profit before taxation		3,676	71,959
Tax charge on profit	4	(144)	(64,529)
Profit for the period before members' remuneration and profit shares	9	3,532	7,430
Members' remuneration charged as an expense		(3,532)	(7,430)
(Loss)/profit for the period available for discretionary division among members		-	-

The notes set out on pages 14 to 21 form part of these financial statements.

The group had no Other Comprehensive Income so the profit for the current year represents Total Comprehensive Income.

**ARGENT****Argent King's Cross GP LLP****Consolidated balance sheet
As at 31 December 2021**

	Note	2021 £	2020 £
Non current assets			
Intangibles	6	8,880	12,885
Current assets			
Debtors	7	38,597,834	32,012,226
Cash at bank		3,313,963	1,296,554
Total assets		<u>41,920,677</u>	<u>33,321,665</u>
Creditors: amounts falling due within one year	8	(41,809,715)	(33,214,235)
Net assets attributable to members		<u>110,962</u>	<u>107,430</u>
Represented by:			
Members' other interests			
Members' capital classified as equity	9	100,000	100,000
Loans and other debts due to members within one year			
Loans and other debts due to members		10,962	7,430
Total members' interests		<u>110,962</u>	<u>107,430</u>
Members' interests			
Members' other interest	9	100,000	100,000
Loans and other debts due to members		10,962	7,430
Total members' interests		<u>110,962</u>	<u>107,430</u>

The notes set out on pages 14 to 21 form part of these financial statements.

The financial statements were approved by the members and authorised for issue on 8 July 2022 and are signed on their behalf by:

Robert Evans

R M Evans
Designated member

Limited Liability Partnership Registration No. OC430639



Argent King's Cross GP LLP

LLP balance sheet As at 31 December 2021

	Note	2021 £	2020 £
Non current assets			
Investments	5	101	101
Intangibles	6	8,880	12,885
		<u>8,981</u>	<u>12,986</u>
Current assets			
Debtors	7	1,048,176	1,044,516
Cash at bank		31,819	-
Total assets		<u>1,079,995</u>	<u>1,057,502</u>
Creditors: amounts falling due within one year	8	(1,027,395)	(1,007,429)
Net current assets		<u>52,600</u>	<u>37,087</u>
Net assets attributable to the members		<u>61,581</u>	<u>50,073</u>
Represented by:			
Members' other interests			
Members' capital classified as equity	9	100,000	100,000
Loans and other debts due to members within one year			
Loans and other debts due to members		<u>(38,419)</u>	<u>(49,927)</u>
Total members' interests		<u>61,581</u>	<u>50,073</u>
Members' interests			
Members' other interest	9	100,000	100,000
Loans and other debts due to members		<u>(38,419)</u>	<u>(49,927)</u>
Total members' interests		<u>61,581</u>	<u>50,073</u>

The notes set out on pages 14 to 21 form part of these financial statements.

The financial statements were approved by the members and authorised for issue on 8 July 2022 and are signed on their behalf by:

Robert Evans

R M Evans
Designated member

Limited Liability Partnership Registration No. OC430639



ARGENT

Argent King's Cross GP LLP**Consolidated and LLP statement of changes in members' interests for the year ended 31 December 2021**

<u>Consolidated:</u>	EQUITY	LIABILITY	TOTAL MEMBERS' INTERESTS
	Members' capital (classed as equity)	Loans and other debts due to Members	Total
	£		£
Members' interest at inception (11 February 2020)	-	-	-
Capital introduced	100,000	-	100,000
Profit for the period	-	7,430	7,430
At 31 December 2020	100,000	7,430	107,430
At 1 January 2021	100,000	7,430	107,430
Profit for the year	-	3,532	3,532
At 31 December 2021	100,000	10,962	110,962

<u>LLP:</u>	EQUITY	LIABILITY	TOTAL MEMBERS' INTERESTS
	Members' capital (classed as equity)	Loans and other debts due to Members	Total
	£		£
Members' interest at inception (11 February 2020)	-	-	-
Capital introduced	100,000	-	100,000
Loss for the period	-	(49,927)	(49,927)
At 31 December 2020	100,000	(49,927)	50,073
At 1 January 2021	100,000	(49,927)	50,073
Profit for the period	-	11,508	11,508
At 31 December 2021	100,000	(38,419)	61,581

The notes set out on pages 14 to 21 form part of these financial statements.



ARGENT

Argent King's Cross GP LLP**Consolidated cash flow statement
for the year ended 31 December 2021**

	Notes	2021 £	2020 £
Cash flow from operating activities			
Operating profit for the year		6,606	55,633
Adjustments for:			
Provision for tax		(114)	(64,529)
Interest received		1,075	15,090
Gain on purchase of investments		-	88,351
Increase in debtors		(6,585,608)	(32,012,226)
Increase in creditors		8,595,450	33,214,235
Net cash inflow from operating activities		<u>2,017,409</u>	<u>1,296,554</u>
Increase in cash and cash equivalents		2,017,409	1,296,554
Opening cash at 1 January		<u>1,296,554</u>	<u>-</u>
Closing cash at 31 December		<u><u>3,313,963</u></u>	<u><u>1,296,554</u></u>

The notes set out on pages 14 to 22 form part of these financial statements.



ARGENT

Argent King's Cross GP LLP

LLP cash flow statement for the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash flow from operating activities			
Operating profit for the year		15,513	37,188
Adjustments for:			
Increase in debtors		(3,660)	(1,044,516)
Increase in creditors		19,966	1,007,429
Increase in investments		-	(101)
Net cash inflow from operating activities		<u>31,819</u>	<u>-</u>
Cash flow from financing activities			
Interest received		-	-
Net cash inflow from financing activities		<u>-</u>	<u>-</u>
Increase in cash and cash equivalents		31,819	-
Opening cash at 01 January		-	-
Closing cash at 31 December		<u><u>31,819</u></u>	<u><u>-</u></u>

The notes set out on pages 14 to 22 form part of these financial statements.



Argent King's Cross GP LLP

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

1. Accounting policies

Argent King's Cross GP LLP is a limited liability partnership domiciled and registered in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB. The nature of the LLP's operations and its principal activities are set out on page 1.

Accounting convention

The consolidated financial statements are prepared in sterling, which is the functional currency of the LLP and the presentational currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 (as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

The financial statements have been prepared under the historical cost basis, other than the revaluation of the LLP's investment in the AKXGP partner interest. The principal accounting policies adopted are set out below.

Basis of consolidation

AKXL and Argent King's Cross Nominee Limited are controlled by the LLP following the business transfer referred to in note 5. Control exists when the LLP has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The accounts of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

The group has taken the exemption under section 408 of the Companies Act 2006 (as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) not to prepare a LLP profit and loss. The LLP made a profit after tax for the year of £ 11,508 (2020: loss 49,927).

Going concern

The continuation of the LLP as a going concern is dependent on the continued operations of the Limited Partnership. As set out in the financial statements of the Limited Partnership, the general partner of that Limited Partnership has prepared those financial statements on a going concern basis because they consider that the limited partners in that Limited Partnership will be able to continue to provide sufficient capital to allow them to settle liabilities as they as they fall due for at least 12 months from the date of approval of those financial statements.

The members therefore consider that, having made enquiries, it is appropriate to prepare these financial statements on a going concern basis.

Taxation

Any tax arising on the results of the LLP are the responsibility of the members, not the LLP, and therefore are not included within these financial statements.

Tax as presented within these financial statements represents tax arising from other group undertakings.

Investments

The LLP recognises its investments at cost less any accumulated impairment losses.



Argent King's Cross GP LLP

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

1 Accounting policies (continued)

Intangible assets

Intangible assets represent the general partner interest purchased as part of the Business Transfer Agreement. It is the entitlement to future income streams earned by acting as the general partner of Argent King's Cross Limited Partnership. It is measured at cost less any impairments which are calculated based on whether each income stream has sufficiently certainty that it will be received.

Financial instruments

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

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

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

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

Basic financial assets

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

Derecognition of financial assets

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

Classification of financial liabilities

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

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

Derecognition of financial liabilities

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



Argent King's Cross GP LLP

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

1 Accounting policies (continued)

Turnover

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

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

Turnover relates entirely to operations in the United Kingdom.

Other income represents entitlements to a priority profit share from the Limited Partnership of £5,000 per year.

Judgements and key sources of estimation uncertainty

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

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

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

2. Employees

The LLP did not employ any staff during the current year (2020: nil).



Argent King's Cross GP LLP

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

3. Operating profit and turnover

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Operating profit is stated after charging:				
Auditor's remuneration – audit of the LLP	-	-	18,900	18,000
Auditor's remuneration – audit of the Group	35,700	34,000	-	-

Turnover (Group)

	2021 £	2020 £
Performance fees and milestone payments	20,168,679	30,546,909
Base and other fees	18,065,485	17,450,045
Interest on unpaid performance fees	1,607,907	2,187,131
	<u>39,842,071</u>	<u>50,184,085</u>

4. Tax on profit

(a) Analysis of tax charge for the year

	2021 £	2020 £
Current tax		
Current year	-	-
Prior year adjustment	144	64,529
Tax credit on profit on ordinary activities	<u>144</u>	<u>64,529</u>

(b) Factors affecting the tax charge for the year

	2021 £	2020 £
Profit on operating activities before tax	<u>3,562</u>	<u>71,959</u>
Tax credit on loss on ordinary activities multiplied by the standard rate of UK corporation tax of 19% (2020: 19%)	677	13,672
Effects of group relief	-	14,491
Adjustment in respect of prior periods	144	64,529
Movement in DTA not recognised	-	(20,863)
Non assessable income	(677)	(7,300)
Total tax (credit)/charge	<u>144</u>	<u>64,529</u>

As of 31 December 2021, the group has tax losses of £81,225 (2020: £45,751) that are available for offsetting against future taxable profits. No deferred tax asset has been recognised due to uncertainty in respect of occurrence of future taxable profits.



Argent King's Cross GP LLP

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

5. Investments

	LLP 2021 £	LLP 2020 £
Argent King's Cross Nominee Limited	1	1
Argent (King's Cross) Limited	100	100
	<u>101</u>	<u>101</u>

The investment of £1 represents 100% share capital of Argent King's Cross Nominee Limited (company reg. No. 06450777), an intermediate holding company, registered in England and Wales. Registered address is 4 Stable Street, London, N1C 4AB.

The investment of £100 represents 100% of the share capital of Argent (King's Cross) Limited (company reg. No. 03965242), a company whose principal activity is that of asset and development management for KCCLP, registered in England and Wales. Registered address is 4 Stable Street, London, N1C 4AB.

6. Intangible assets

Group

	AKXLP partnership interest £	Total £
Cost		
At 1 January 2021	100,000	100,000
Additions	-	-
At 31 December 2021	<u>100,000</u>	<u>100,000</u>
Impairment		
At 1 January 2021	87,115	87,115
Impairment	4,005	4,005
At 31 December 2021	<u>91,120</u>	<u>91,120</u>
Net book amount December 2021	<u>8,880</u>	<u>8,880</u>
Net book amount December 2020	<u>12,885</u>	<u>12,885</u>



Argent King's Cross GP LLP

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

Company

	AKXLP partnership interest	Total
	£	£
Cost		
At 1 January 2021	100,000	100,000
Additions	-	-
At 31 December 2021	100,000	100,000
Impairment		
At 1 January 2021	87,115	87,115
Impairment	4,005	4,005
At 31 December 2021	91,120	91,120
Net book amount December 2021	8,880	8,880
Net book amount December 2020	12,885	12,885

The LLP acquired the AKXGP partnership interest as part of the Business Transfer Agreement. The intangible asset consists of the rights in respect of cash flows derived from the AKX Management Agreement less impairment charges.

7. Debtors

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Trade debtors	587,171	345,142	-	-
Profit share due from Argent King's Cross Limited Partnership	944,516	944,516	944,516	944,516
Amounts due from Argent King's Cross Limited	-	-	3,660	-
Other debtors	100,000	100,000	100,000	100,000
Prepayments and accrued income	36,966,147	30,622,568	-	-
	38,597,834	32,012,226	1,048,176	1,044,516

Amounts due from Argent (King's Cross) Limited carry no interest and are repayable on demand.



Argent King's Cross GP LLP

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

8. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Trade creditors	-	3,406	-	-
Corporation tax payable	144	64,118	-	-
VAT payable	1,905,070	57,524	-	-
Other creditors	-	-	1	1
Accruals	2,031,868	679,574	33,300	25,000
Amounts due to Argent King's Cross Limited Partnership	37,772,633	32,309,613	894,094	882,428
Amounts due to AKXGP Limited	100,000	100,000	100,000	100,000
	<u>41,809,715</u>	<u>33,214,235</u>	<u>1,027,395</u>	<u>1,007,429</u>

9. Related party transactions

AKXL is a wholly owned subsidiary of the LLP. Some LLP members are also directors in King's Cross Central General Partner Limited ("KCCGP"), being R M Evans and P G Freeman. In addition, certain LLP members, R M Evans, A Gibbs and D J G Partridge, are also indirect partners in the Limited Partnership, which is a unitholder in King's Cross Central Property Trust, the sole limited partner of KCCLP. BT Pension Scheme is the ultimate majority investor in the LLP and the Limited Partnership. Certain members, being R M Evans, M I Freeman, A Gibbs and D J G Partridge are also members of Argent (Property Development) Services LLP ("ASLLP")

Under the Business Transfer Agreement, the total assets and liabilities of AKXGP Ltd were transferred at cost. At the year end, the amount due to AKXGP Ltd included in creditors (note 8) was £100,000.

During the year, management fees, performance fees and milestone payments of £32,158,220 (2020: £42,514,568) accrued from KCCLP to AKXL under the Asset Management Agreement. This figure is included within the group's turnover figure. A balance of £35,492,215 (2020: £30,526,854) was outstanding at 31 December 2021 in respect of fees, included within the group's trade debtors and accrued income balance (note 7).

During the year, the Limited Partnership paid AKXGP LLP £5,000 (2020: £5000) for its priority profit share.

Interest accrued on the performance fee payable from KCCLP totalling £1,603,907 (2020: £2,181,691) during the year ended 31 December 2021.

During the year, ASLLP charged fees to AKXL of £10,850,564 (2020: £22,607,253) under the services agreement that exists between these two entities. This figure is included in the group's cost of sales figure. At the year-end, ASLLP is owed £1,961,067 (2020: £622,568) in respect of these fees, included in the Group's accruals balance (note 8).

During the year, the Limited Partnership charged fees of £14,844,244 (2020: £16,958,316) to AKXL in accordance with the management agreement (see Members Report for further details). This balance is included in cost of sales in the profit and loss account. At the year-end, the group owed £37,772,633 (2020: £32,309,613) in relation to these fees. This balance is disclosed in the group's creditors balance (note 8).

Interest accrued on the performance fee payable to the Limited Partnership totalling £1,599,897 (2020: £2,176,236) during the year.



Argent King's Cross GP LLP

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

At the year end the LLP owed the Limited Partnership £894,094 (2020: £882,428). This balance is disclosed within creditors (note 8). At 31 December 2021, the LLP was owed £944,516 (2020: £944,516) from the Limited Partnership in relation to distributions receivable from the Limited Partnership (see note 7).

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

The group billed KCES £1,373,242 (2020: £1,156,250) in relation to estate and building management fees. At the year-end, the Group was owed £88,849 (2020: £3,406) in relation to these fees. This balance is disclosed in the group trade debtors balance (note 7).

The group billed KC Green £936,576 (2020: £3,872,251) in relation to Development Management fees. At the year-end, the group was owed £357,344 in relation to these fees. This balance is disclosed in the Group accrued income balance (note 7).

The group billed Cadence £395,224 (2020: £730,140) in relation to Development Management fees. At the year-end, the group was owed £211,205 (2020: £80,106) in relation to these fees. This balance is disclosed in the group accrued income balance (note 7).

The group billed S3 £747,180 (2020: £nil) in relation to Development Management fees. At the year-end, the Group was owed £439,437 (2020: £nil) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 7).

The group billed S4 £nil (2020: £nil) in relation to Development Management fees. At the year-end, the group was owed £684,805 (2020: £nil) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 7).

The group billed R8 £760,032 (2020: £nil) in relation to Development Management fees. At the year-end, the group was owed £192,602 (2020: £nil) in relation to these fees. This balance is disclosed in trade debtors and accrued income (note 7).

10. Ultimate controlling party

Britel Fund Trustees Limited is a member of the LLP, which is registered in England and Wales. The LLP is ultimately controlled by and majority owned by the BT Pension Scheme, registered address: 150 Cheapside, London, EC2V 6ET.

11. Events after reporting date

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