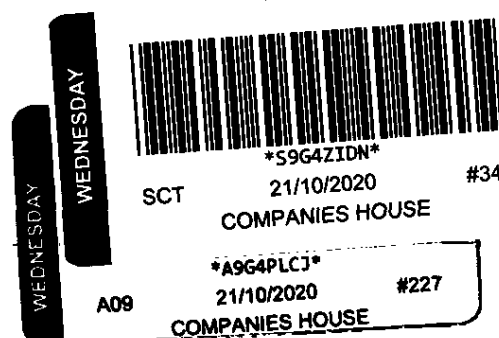


Mayfield Partnership (General Partner) Limited

Financial Statements 31 March 2020

Company registration number SC552574

**Partnership
Accounts**



1971-1972
1973-1974

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

CONTENTS

Directors, Secretary and Independent Auditors	1
Strategic report	2
Directors' report	3
Statement of Directors' Responsibilities	5
Independent auditor's report to the Members of Mayfield	
Partnership (General Partner) Limited	6
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statements of Cash flow and Changes in Equity	11
Notes to the Financial Statements	12

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Directors, Secretary & Independent Auditors

Directors

Patricia Bartoli

Peter Hawthorne

Adrian Lee (resigned 8th January 2020)

Michael John Mellor

Adam Wisher

Edward Ashely Lote Smith (resigned 29th May 2020)

Louise Allie Jane Wyman (appointed 13th July 2020)

Secretary

Manchester Professional Services Limited

Independent Auditors

Mazars LLP

Chartered Accountants and Statutory auditors

Tower Bridge House

St. Katherine's Way

London E1W 1DD

Registered Office

3 Melville Street

Edinburgh

EH3 7PE

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Strategic Report

The directors present the strategic report of Mayfield Partnership (General Partner) Limited (the "Company") for the year ended 31 March 2020.

Review of the business

The company is a private limited company that is registered and domiciled in the United Kingdom. The Company operates in accordance with a Limited Partnership Agreement dated 19 December 2016. The Partnership is known as Mayfield Partnership Limited Partnership (the "Partnership"). The Company acts as the General Partner of the Partnership and has exclusive responsibility for the management and control of the business affairs of the Partnership.

Description of principal risks and uncertainties

All risks are monitored by the Risk Team of London & Continental Railways Limited ("LCR Limited") on behalf of the Partnership. The board is ultimately responsible for ensuring that the Company effectively manages its risks with the objective of protecting the Company from unforeseen losses, and optimising shareholder value within the strategic risk tolerance.

Key Performance indicators (KPIs)

The directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the Company.

On behalf of the Board



Peter Hawthorne
Director
2 October 2020

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Directors' Report

The directors have pleasure in submitting their directors' report together with the audited financial statements of Mayfield Partnership (General Partner) Limited (the "Company") for the year ended 31 March 2020.

Review of activities

Mayfield Partnership (General Partner) Limited was incorporated on 14 December 2016. The Company entered into a Limited Partnership Agreement with Mayfield Partnership L.P. (the "Partnership") on 19 December 2016.

The Company acts as General Partner of the Partnership and has exclusive responsibility for the management and control of the business affairs of the Partnership.

Results and dividends

The Company's loss for the year amounts to £4,050 (2019: £3,025). The directors do not recommend payment of a dividend.

Going Concern

The shareholders will continue to provide financial support to the Company for the foreseeable future as long as the Company continues to be held by the shareholders.

Future developments

Through the Mayfield Development Partnership Limited (50% owned by Mayfield Partnership L.P. and 50% owned by U+I Limited), LCR Limited, Manchester City Council and Transport for Greater Manchester, and its development partner U+I Limited are progressing with the regeneration of the Mayfield Quarter. The Mayfield Quarter is planned to be a mixed-use development including 75,000 sq. m. of office space, 1,330 homes, a 350-bedroom hotel, retail and leisure facilities, and a new city park.

Description of risks and uncertainties

All risks are actively monitored by the Risk Team of one of the Company's parents, LCR Limited. The Board is ultimately responsible for ensuring that the Company effectively manages its risks with the objective of protecting the Company from unforeseen losses, and optimising shareholder value within the strategic risk tolerances.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Directors' Report (continued)

Financial Risk Management

The risks that impact Mayfield Partnership (General Partner) Limited are categorised under the two broad headings of Business and Operational risks.

Business Risk

Risks are monitored closely, and various stress tests are undertaken as part of the strategic planning and budgetary process to model the impact of business risks on Mayfield Partnership (General Partner) Limited financial position.

Operational Risk

Operational risks are categorised under the following definitions:

- Process and execution risk- Loss resulting from inadequate or failed internal or external processes (e.g. execution processes or reconciliation processes);
- System risk - Loss resulting from programming - or failure of IT- and management information systems; and
- External event risk- Loss resulting from external events (e.g. wars, natural disasters).

Mayfield Partnership (General Partner) Limited manages these risks through the maintenance of an Operational Risk Framework which is shared by one of the Company's parents, LCR Limited, comprising policies, principles and procedures that seek to ensure the most significant risk exposures are identified, assessed, controlled and monitored.

Directors and Company Secretary

The directors of the Company and Company Secretary who were in office during the year and up to the date of signing the financial statements are shown on page 1.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (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 year. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each director in office at the date of approval of this report confirms that:

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

In preparing this report the Directors have taken advantage of the small companies' exemptions provided by Section 415A of the Companies Act 2006.

On behalf of the Board.



Peter Hawthorne
Director
2 October 2020

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Independent auditor's report to the members of Mayfield Partnership (General Partner) Limited – (continued)

Opinion

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

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 loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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. 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 directors are responsible for the other information. The other information comprises the information included in the Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Independent auditor's report to the members of Mayfield Partnership (General Partner) Limited – (continued)

the other information and, except to the extent otherwise explicitly stated in our 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 this 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Independent auditor's report to the members of Mayfield Partnership (General Partner) Limited – (continued)

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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

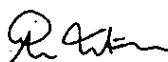
Auditor's responsibilities for the audit of the financial statements

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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit 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.



Richard Metcalfe (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

6 October 2020

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Statement of Comprehensive Income

For the year ended 31 March 2020

	Note	2020 £	2019 £
Revenue	3	-	-
Administrative expenses	4	(4,050)	(3,025)
Operating loss		(4,050)	(3,025)
Finance cost		-	-
Loss before income tax		(4,050)	(3,025)
Income tax credit	5	-	-
Loss after income tax		(4,050)	(3,025)
Other comprehensive income / (loss)		-	-
Total comprehensive loss for the year		(4,050)	(3,025)

The notes on pages 12 to 18 form an integral part of these financial statements

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Statement of Financial Position

As at 31 March 2020

	Note	31 March 2020 £	31 March 2019 £
Assets			
Current assets			
Trade and other receivables	7	1,978	1,418
Total assets		1,978	1,418
Liabilities			
Current liabilities			
Trade and other payables	8	11,650	7,040
Total liabilities		11,650	7,040
Equity attributable and reserves attributable to the Company's equity holders			
Ordinary shares	10	3	3
Accumulated losses		(9,675)	(5,625)
Total equity		(9,672)	(5,622)
Total equity and liabilities		1,978	1,418

These financial statements have been prepared in accordance with the provisions applicable to the small entities regime.

The financial statements on pages 10 to 19 were approved by the Board of directors on 2 October 2020 and signed on its behalf by:



Peter Hawthorne

Director

The notes on pages 12 to 18 form an integral part of these financial statements.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Statement of Cash Flow and Changes in Equity

For the year ended 31 March 2020

CASH FLOW STATEMENT

The Company does not have cash flows. One of the Company's parents, LCR Limited pays all expenses on behalf of the Company. This is reflected by movements in the inter-company accounts.

STATEMENT OF CHANGES IN EQUITY

	Number of shares	Ordinary Shares £	Accumulated Losses £	Total Equity £
Balance at 1 April 2018	3	3	(2,600)	(2,597)
Loss for the period and total comprehensive income for the period	-	-	(3,025)	(3,025)
Balance at 31 March 2019	3	3	(5,625)	(5,622)
Balance at 1 April 2019	3	3	(5,625)	(5,622)
Shares issued in year	-	-	-	-
Loss for the year and total comprehensive income for the year	-	-	(4,050)	(4,050)
Balance at 31 March 2020	3	3	(9,675)	(9,672)

The notes on pages 12 to 18 form an integral part of these financial statements.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1. Reporting entity and basis of preparation

Mayfield Partnership (General Partner) Limited (the "Company") is a private company incorporated, registered and domiciled in the United Kingdom. The registered number is SC552574 and the registered address is 3 Melville Street, Edinburgh, EH3 7PE.

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

1.2. Going concern

The shareholders LCR Limited, Manchester City Council and Transport for Greater Manchester have confirmed that they continue to provide financial support to the Partnership and intend to do so for the foreseeable future as long as the Partnership continues to be held by the shareholders.

Covid-19

The Covid-19 pandemic began to impact the Partnership's operations in March 2020, with the Health Protection (Coronavirus, restrictions) (England) Regulations 2020 coming into force on 26 March. The restrictions have resulted in a number of impacts on the Partnership and the wider market.

Key events post lockdown

Following the outbreak of Covid-19, the Mayfield Public/Private Joint Venture (JV) prepared a revised budget and development plan. These reflect key financial impacts such as the phasing of future planned works and the property market. The JV has undertaken stress testing including a combination of severe but plausible downsides, offset by realistic mitigations.

In August 2020, the JV secured £23 million in grant funding for a 6.5 acre park from the Government's £900 million Getting Building Fund so it can bring forward the first phase of delivery at Mayfield in Manchester. This park enhances the Mayfield development as the drive to provide healthy places to live is more pressing after Covid-19.

Our response to the Covid-19 pandemic

- We monitor the performance of all the JV partners, including U+I;

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

NOTES TO THE FINANCIAL STATEMENTS – (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.2. Going concern – (continued)

- We assess the level of financial commitment required to maintain this Partnership, the amount is not material, it consists of administrative and audit fees;
- We continue to monitor the impact on the commercial and residential property sector; and
- We continue to adapt to the Covid-19 situation as it develops.

Whilst we expect a financial impact, the Board is confident it can meet its responsibilities with the ongoing support of its partners.

Critical accounting judgements and estimates

There are no material critical accounting estimates or judgements.

1.3. Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Company in the year

There were no IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 April 2019 that would be expected to have a material impact on the Company.

The following standards, interpretations and amendments are effective but do not have a significant impact on the financial statements:

IFRS 15 Revenue from Contracts with Customers. Effective 1 January 2018; and

IFRS 9 Financial Instruments. Effective 1 January 2018

IFRS 16 Leases. Effective 1 January 2019

1.4. Dividend distribution

Dividend distributions are recognised in the Company's financial statements in the year that they are paid.

1.5. Income recognition

Income is accounted for on an accrual basis.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

NOTES TO THE FINANCIAL STATEMENTS – (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.5. Expenses

Expenses are accounted for on an accrual basis.

1.6. Current assets

The Company's current assets consist of trade and other receivables. They are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impairment debts are de-recognised when they are assessed as uncollectible.

1.7. Financial Instruments

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instruments.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Notes to the Financial Statements (continued)

2. RISK MANAGEMENT

2.1 Financial risk management

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The financial risks relate to the following instruments: trade receivables, cash and cash equivalents and trade and other payables.

(a) Market risk

- (i)** Currency risk is limited as the Company operates entirely within the UK and is Sterling denominated.
- (ii)** The Company has no interest in the profits or losses of the Mayfield Partnership L.P. and is not required to make any capital contributions to the Partnership.
- (iii)** As the Company does not seek to retain interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk arises from cash equivalents as well as credit exposure with respect to the entity it has invested in.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company's liquidity position is monitored on a regular basis.

2.2 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to settle its liabilities to the best of its abilities. We defined the capital as the net liabilities of the Company.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Notes to the Financial Statements (continued)

3. Revenue

The Company is currently not entitled to any distribution of profits from Mayfield Partnership L.P. as the Partnership does not generate any income until Mayfield Development Partnership L.P. distributes profits. All revenue would otherwise be recognised on an accruals basis in accordance with the requirements of IFRS15 Revenues.

4. Administrative expenses

	2020	2019
	£	£
Fees payable to the Partnership's auditors for the audit of the Partnership	2,750	2,500
Other expenses	1,300	525
	<u>4,050</u>	<u>3,025</u>

5. Income tax credit

The Company has an unrecognized deferred tax asset of approximately £1,000 arising from losses which have the potential to offset future profits of the company, which has not been recognised due to the uncertainty of the timing of future loss utilisation.

6. Impairment of assets

The carrying amount of the assets of the Mayfield Partnership (General Partner) Limited is reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated to determine the amount of the impairment loss.

The current projection is that the total amount due from Mayfield Partnership Limited Partnership (the 'Partnership') is recoverable as the Partnership does expect a return on its investment in Mayfield Development Partnership L.P and has not impaired its investment.

7. Trade and other receivables

	2020	2019
	£	£
Amounts due from Mayfield Partnership L.P.	400	400
Prepayments	975	675
Other debtors	603	343
	<u>1,978</u>	<u>1,418</u>

Amounts due from the Partnership are expected to be recoverable.

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Notes to the Financial Statements (continued)

8. Trade and other payables

	2020	2019
	£	£
Trade creditors	10,450	2,040
Amounts owed to LCR	1,200	5,000
	<u>11,650</u>	<u>7,040</u>

Trade and other payables are payable on demand.

9. Financial instruments by category

Trade and other receivables

	2020	2019
	£	£
Current assets	<u>1,978</u>	<u>1,418</u>

Trade and other payables

	2020	2019
	£	£
Other financial liabilities	<u>11,650</u>	<u>7,040</u>

10. Share Capital

	2020	2019
	£	£
Authorised		
1 A ordinary shares of £1 each	1	1
1 B ordinary shares of £1 each	1	1
1 C ordinary shares of £1 each	1	1
	<u>3</u>	<u>3</u>
Allotted and issued		
1 A ordinary shares of £1 each	1	1
1 B ordinary shares of £1 each	1	1
1 C ordinary shares of £1 each	1	1
	<u>3</u>	<u>3</u>

MAYFIELD PARTNERSHIP (GENERAL PARTNER) LIMITED
Company Registration Number: SC552574

Notes to the Financial Statements (continued)

10. Share Capital (continued)

The share capital of £3 is not paid.

All rights of shares have equal voting rights but no rights to fixed income.

11. Employees

There were no employees in the Partnership for 2020.

12. Taxation

The Partnership as a transparent entity is not subject to pay UK income tax. Where relevant for UK tax purposes each Limited Partner is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. A Partner is taxable on Partnership income or gain whether any distribution of money or property is made to the Partner during its fiscal year. It is possible that a Limited Partner's income or tax liability related to transactions by the Partnership could exceed amounts distributed to such Limited Partner in a year.

13. Related parties and ultimate controlling party

Mayfield Partnership (General Partner) Limited acts as General Partner to the Partnership. In accordance with the Limited Partnership Agreement, the General Partner has no interest in the profits or losses of the Partnership and is not required to make any capital contributions.

The General Partner is owned in equal shares by LCR Limited, Manchester City Council and Transport for Greater Manchester.

14. Related parties and ultimate controlling party (continued)

The Limited Partner is owned in equal shares by LCR Limited, Manchester City Council (through its subsidiary Mayfield Development Manchester Limited) and Transport for Greater Manchester.

Mayfield Partnership Limited Partnership

**Strategic Report, General Partner's
Report and Financial Statements
31 March 2020**

Company registration number SL029618

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CONTENTS

General Partner and Independent Auditors	1
Strategic information	2
General Partner's report	3
Statement of Responsibilities of the General Partner	5
Independent auditor's report to the Members of Mayfield Partnership L.P.	6
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statements of Cash flow and Changes in Equity	11
Notes to the Financial Statements	12

MAYFIELD PARTNERSHIP LIMITED PARTNERSHIP
Company Registration Number: SL029618

General Partner

Mayfield Partnership (General Partner) Limited
3 Melville Street
Edinburgh
EH3 7PE

Independent Auditors

Mazars LLP
Chartered Accountants and Statutory auditors
Tower Bridge House
St. Katharine's Way
London E1W 1DD

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Strategic Information

The directors present the strategic report of Mayfield Partnership L.P. (the 'Partnership') for the year ended 31 March 2020.

Review of the business

Mayfield Partnership L.P. is a Limited Partnership that is registered and domiciled in the United Kingdom. Mayfield Partnership Limited Partnership (the "Partnership") was incorporated on 14 December 2016.

The Partnership operates in accordance with a Limited Partnership Agreement dated 19 December 2016.

Description of principal risks and uncertainties

All risks are monitored by the Risk Team of London & Continental Railways Limited ('LCR Limited') on behalf of the Partnership. The board is ultimately responsible for ensuring that the Company effectively manages its risks with the objective of protecting the Company from unforeseen losses, and optimising shareholder value within the strategic risk tolerance.

Key Performance Indicators (KPIs)

The General Partner is of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the Company.

On behalf of the Board



Peter Hawthorne
Director

For and on behalf of Mayfield Partnership (General Partner) Limited in its capacity as General Partner of Mayfield Partnership L.P.

2 October 2020

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

General Partner's Report

The General Partner is pleased to present their report and the audited financial statements of Mayfield Partnership L.P. (the "Partnership") for the year ended 31 March 2020.

Establishment and business of the Partnership

The Company entered into a Limited Partnership Agreement with Mayfield Partnership (General Partner) Limited on 19 December 2016.

The purpose of the Partnership is to generate income from its investment in Mayfield Development Partnership L.P.

Summary of the Partnership's activity in the year

The Partnership does not generate any income until Mayfield Development Partnership Limited Partnership distributes dividends to it.

The Partnership's loss for the financial year was £22,695 (2019: £21,957).

Future developments

Through its investment along with its development partner U+I in the Mayfield Development Partnership, the regeneration of the Mayfield Quarter is progressing. The Mayfield Quarter is planned to be a mixed-use development including 75,000 sq. m. of office space, 1,330 homes, a 350-bedroom hotel, retail and leisure facilities, and a new city park.

Going concern

The shareholders will continue to provide financial support to the Company for the foreseeable future as long as the Company continues to be held by the shareholders.

General Partner's Report (continued)

Description of risks and uncertainties

All risks are actively monitored by the Risk Team of one of the Company's parents, LCR Limited. The Board is ultimately responsible for ensuring that the Company effectively manages its risks with the objective of protecting the Company from unforeseen losses, and optimising partner value within the strategic risk tolerances.

Financial Risk Management

The risks that impact Mayfield Partnership Limited Partner are categorised under the two broad headings of Business and Operational risks.

Business Risk

Risks are monitored closely, and various stress tests are undertaken as part of the strategic planning and budgetary process to model the impact of business risks on Mayfield Partnership Limited Partner financial position.

Operational Risk

Operational risks are categorised under the following definitions:

- Process and execution risk - Loss resulting from inadequate or failed internal or external processes (e.g. execution processes or reconciliation processes);
- System risk - Loss resulting from programming - or failure of IT - and management information systems; and
- External event risk - Loss resulting from external events (e.g. wars, natural disasters).

Mayfield Partnership Limited Partner manages these risks through the maintenance of an Operational Risk Framework which is shared by one of the Company's parents, LCR Limited, comprising policies, principles and procedures that seek to ensure the most significant risk exposures are identified, assessed, controlled and monitored.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

STATEMENT OF RESPONSIBILITIES OF THE GENERAL PARTNER

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

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year under that law the General Partner has prepared the partnership financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the qualifying partnership and of the profit or loss of the qualifying partnership for that year. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 partnership will continue in business.

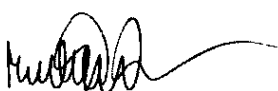
The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. They are also responsible for safeguarding the assets of the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

So far as the General Partner is aware:

- there is no relevant audit information of which the Partnership's auditors are unaware; and
- we have taken all the steps that we ought to have taken as General Partner in order to make ourselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

On behalf of the Board.



Peter Hawthorne
Director

For and on behalf of Mayfield Partnership (General Partner) Limited in its capacity as General Partner of Mayfield Partnership L.P.

Date: 2 October 2020

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Independent auditor's report to the members of Mayfield Partnership Limited Partnership

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the LP's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability 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. We are independent of the LP 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 members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LP'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 members are responsible for the other information. The other information comprises the information included in the Strategic Report, General Partner's Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Independent auditor's report to the members of Mayfield Partnership Limited Partnership – (continued)

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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Members

As explained more fully in the members' responsibilities statement set out on page 5, the members 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 members 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 members are responsible for assessing the LP'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 LP 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.

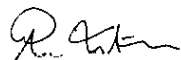
MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Independent auditor's report to the members of Mayfield Partnership Limited Partnership – (continued)

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

Use of the audit report

This report is made solely to the Partnership'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 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 Partnership and the Partnership's members as a body for our audit work, for this report, or for the opinions we have formed.



Richard Metcalfe (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

6 October 2020

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Statement of Financial Position

As at 31 March 2020

	Note	31 March 2020 £	31 March 2019 £
Assets			
Investments	3,6	1	1
Current assets	4	3,987,893	3,987,763
Total assets		3,987,894	3,987,764
Liabilities			
Current liabilities		-	-
Trade and other payables	5	(4,056,584)	(4,033,759)
Total liabilities		(4,056,584)	(4,033,759)
Total equity and liabilities		(68,690)	(45,995)

These financial statements have been prepared in accordance with the provisions applicable to the small entities regime.

The financial statements on pages 9 to 18 were approved by the Board of directors of the General Partner on 2 October 2020 and signed on its behalf by:



Peter Hawthorne

Director of Mayfield Partnership (General Partner) Limited

The notes on pages 12 to 18 form an integral part of these financial statements.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Statement of Comprehensive Income

For the year ended 31 March 2020

	Note	2020 £	2019 £
Revenue		-	-
Administrative expenses	7	(9,695)	(8,789)
Operating loss		(9,695)	(8,789)
Share of (loss) of joint venture	3	(13,000)	(13,168)
Loss for the year		(22,695)	(21,957)
Total comprehensive loss for the year		(22,695)	(21,957)

The notes on pages 12 to 18 form an integral part of these financial statements.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Statement of Cash Flow and Changes in Equity

CASH FLOW STATEMENT

The Company does not have cash flows. One of the Company's parents, LCR Limited pays all expenses on behalf of the Company. This is reflected by movements in the inter-company accounts.

STATEMENT OF CHANGES IN EQUITY

	Number of shares	Ordinary Shares £	Accumulated Losses £	Total Equity £
Balance at 1 April 2018	3	3	(24,041)	(24,038)
Loss for the period and total comprehensive income for the period	-	-	(21,957)	(21,957)
Balance at 31 March 2019	3	3	(45,998)	(45,995)
Balance at 1 April 2019	3	3	(45,998)	(45,995)
Shares issued in year	-	-	-	-
Loss for the year and total comprehensive income for the year	-	-	(22,695)	(22,695)
Balance at 31 March 2020	3	3	(68,693)	(68,690)

GENERAL PARTNER

In accordance with the Limited Partnership Agreement, the General Partner has no interest in the profits or losses of the Partnership and is not required to make any capital contributions.

The notes on pages 12 to 18 form an integral part of these financial statements.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1. Reporting entity and basis of preparation

Mayfield Partnership Limited Partnership (the "Company") is a private company incorporated, registered and domiciled in the United Kingdom. The registered number is SL029618 and the registered address is 3 Melville Street, Edinburgh, EH3 7PE.

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

1.2. Going concern

The shareholders LCR Limited, Manchester City Council (through its subsidiary Mayfield Development Manchester Limited) and Transport for Greater Manchester have confirmed that they continue to provide financial support to the Company and intend to do so for the foreseeable future as long as the Company continues to be held by the shareholders.

Covid-19

The Covid-19 pandemic began to impact the Partnership's operations in March 2020, with the Health Protection (Coronavirus, restrictions) (England) Regulations 2020 coming into force on 26 March. The restrictions have resulted in a number of impacts on the Partnership and the wider market.

Key events post lockdown period

Following the outbreak of Covid-19, the Mayfield Public/Private Joint Venture (JV) prepared a revised budget and development plan. These reflect key financial impacts such as the phasing of future planned works and the property market. The JV has undertaken stress testing including a combination of severe but plausible downsides, offset by realistic mitigations.

In August 2020, the JV secured £23 million in grant funding for a 6.5 acre park from the Government's £900 million Getting Building Fund so it can bring forward the first phase of delivery at Mayfield in Manchester. This park enhances the Mayfield development as the drive to provide healthy places to live is more pressing after Covid-19.

Our response to the Covid-19 pandemic

- We monitor the performance of all the JV partners, including U+I;
- We assess the level of financial commitment required to maintain this Partnership, the amount is not material, it consists of administrative and audit fees

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.2. *Going concern – (continued)*

- We continue to monitor the impact on the commercial and residential property sector; and
- We continue to adapt to the Covid-19 situation as it develops.

Whilst we expect a financial impact, the Board is confident it can meet its responsibilities with the ongoing support of its partners.

1.3. *Critical accounting judgements and estimates*

There are no material critical accounting estimates or judgements.

1.4. *Changes in accounting policy and disclosures*

(a) New and amended standards adopted by the Company in the year

There were no IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 April 2019 that would be expected to have a material impact on the Partnership.

The following standards, interpretations and amendments are effective:

IFRS 15 Revenue from Contracts with Customers. Effective 1 January 2018;

IFRS 16 Leases. Effective 1 January 2019; and

IFRS 9 Financial Instruments. Effective 1 January 2018.

None of the above mentioned standards have a material impact on the financial statements.

1.5. *Revenue recognition*

Revenue comprise distributions from its investment in Mayfield Development Partnership L.P.

1.6. *Expenses*

Expenses are accounted for on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

1.7. Current assets

The interest in other entities are classified as investments. Investments are measured at cost and subsequently at fair value. Fair value reflects the likelihood of future distributions being received for the folding.

The carrying amount of the investment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated to determine the amount of impairment loss.

1.8. Financial Instruments

Financial assets and financial liabilities are recognised on the Partnership's Statement of Financial Position when the Partnership becomes a party to the contractual provisions of the instruments.

2. RISK MANAGEMENT

2.1 Financial risk management

The Partnership's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The financial risks are managed at the level of relate to the following instruments: trade receivables, cash and cash equivalents and trade and other payables.

(a) Market risk

- (i) Currency risk is limited as the Company operates entirely within the UK and is Sterling denominated.
- (ii) The Company has no interest in the profits or losses of the Mayfield Partnership L.P. and is not required to make any capital contributions to the Partnership.
- (iii) As the Company does not seek to retain interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS

2. RISK MANAGEMENT *(continued)*

2.1 Financial risk management

(b) Credit risk

Credit risk arises from cash equivalents as well as credit exposure with respect to the entity it has invested in.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company's liquidity position is monitored on a regular basis.

2.2 Capital risk management

The Partnership's objective when managing capital is to safeguard the Partnership's ability to settle its liabilities. Capital is defined as the net liabilities attributable to Limited Partners.

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Notes to the Financial Statements (continued)

3. Investments

The Partnership, acting by its General Partner, Mayfield Partnership (General Partner) Limited, has an investment in Mayfield Development Partnership L.P., a UK Limited Partnership. The terms and conditions of the investment, including total commitment and income returns are governed by a Partnership Deed dated 19 December 2016.

Joint Venture: Mayfield Development Partnership L.P. (MDPLP)

MDPLP is considered a jointly controlled entity because the Partnership owns 50% of the Company, and it shares equally in the strategy and decision making of MDPLP. MDPLP's principal activity is the redevelopment of lands at Mayfield, Manchester, as a joint venture arrangement between LCR, Manchester City Council, Transport for Greater Manchester and U+I as development partner.

50% share of MDPLP results

	2020	2019
	£	£
Share of operating (loss) after tax and non-operating costs	(13,000)	(13,168)

Summary financial information on JV MDLP 100 per cent:

Total comprehensive Income	(26,000)	(26,336)
Current Assets	39,945,000	32,481,778
Non-current assets	-	-
Current liabilities	(1,775,000)	(4,583,339)
Non-current liabilities	-	-
Net assets (including new share issues)	38,170,000	27,898,439

4. Trade and other receivables

	2020	2019
	£	£
Amounts due from Parent undertaking	3,982,587	3,982,587
Prepayments	5,306	5,177
	<u>3,987,893</u>	<u>3,987,764</u>

Notes to the Financial Statements (continued)

5. Trade and other payables

	2020	2019
	£	£
Amounts owed to General Partner	400	400
Amounts due to Parent undertaking	3,996,079	4,007,479
Other payables	20,824	-
Amount due to investee	1	1
Provision for joint venture loss (Note 3)	39,280	26,280
	<u>4,056,584</u>	<u>4,034,160</u>

6. Impairment of investments

The carrying amount of the investment in Mayfield Development Partnership, L.P. is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated to determine the amount of impairment loss. There is no indication of impairment at the balance sheet date.

7. Administrative expenses

Operating (loss) is stated after charging:

	2020	2019
	£	£
Fees payable to the Partnership's auditors for the audit of the Partnership	2,750	2,500
Operator and legal fees	6,945	6,289
	<u>9,695</u>	<u>8,789</u>

MAYFIELD PARTNERSHIP L.P.
Company Registration Number: SL029618

Notes to the Financial Statements (continued)

8. Financial instruments

Trade and other receivables

	2020	2019
	£	£
Assets		
Investments	1	1
Current assets	3,982,893	3,982,587
	<u>3,987,894</u>	<u>3,982,588</u>

Trade and other payables

	2020	2019
	£	£
Other financial liabilities	4,056,584	4,034,160
	<u>4,056,584</u>	<u>4,034,160</u>

9. Employees

There were no employees in the Partnership for 2020.

10. Taxation

The Partnership as a transparent entity is not subject to pay UK income tax. Where relevant for UK tax purposes each Limited Partner is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. A Partner is taxable on Partnership income or gain whether any distribution of money or property is made to the Partner during its fiscal year. It is possible that a Limited Partner's income or tax liability related to transactions by the Partnership could exceed amounts distributed to such Limited Partner in a year.

11. Related parties and ultimate controlling party

Mayfield Partnership (General Partner) Limited acts as General Partner to the Partnership. In accordance with the Limited Partnership Agreement, the General Partner has no interest in the profits or losses of the Partnership and is not required to make any capital contributions.

The General Partner is owned in equal shares by LCR Limited, Manchester City Council and Transport for Greater Manchester.

The Partnership is owned in equal shares by LCR Limited, Manchester City Council (through its subsidiary Mayfield Development Manchester Limited) and Transport for Greater Manchester.