

CANARY WHARF INVESTMENTS (FOUR) LIMITED
Registered Number: 2388957

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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CANARY WHARF INVESTMENTS (FOUR) LIMITED

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CANARY WHARF INVESTMENTS (FOUR) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report with the audited financial statements for the year ended 31 December 2013. The company qualifies as a small company under section 382 of the Companies Act 2006 and accordingly has not produced a Strategic Report.

PRINCIPAL ACTIVITIES

The company holds a 1,000 year headleasehold interest in several floors of One Canada Square, Canary Wharf.

DIVIDENDS AND RESERVES

The profit and loss account for the year ended 31 December 2013 is set out on page 5. Dividends of £310,000 (2012: £440,000) have been paid during the year and the retained loss of £155,296 (2012: loss of £133,992) has been transferred from reserves.

DIRECTORS

The directors of the company throughout the year ended 31 December 2013 were:

A P Anderson II
Sir George Iacobescu CBE
R J J Lyons

The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2013 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

Each director holding office at the date of this report has taken all the steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditor is aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

BY ORDER OF THE BOARD



.....Company Secretary
J R Garwood

5 August 2014

Registered office:
30th Floor
One Canada Square
Canary Wharf
London
E14 5AB
Registered Number: 2388957

CANARY WHARF INVESTMENTS (FOUR) LIMITED

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

CANARY WHARF INVESTMENTS (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANARY WHARF INVESTMENTS (FOUR) LIMITED

We have audited the financial statements of Canary Wharf Investments (Four) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet and the related Notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

CANARY WHARF INVESTMENTS (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANARY WHARF INVESTMENTS (FOUR) LIMITED

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Strategic Report and the Directors' Report.



**Mark Beddy (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountant and Statutory Auditor
LONDON, UK**

5 August 2014

CANARY WHARF INVESTMENTS (FOUR) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Year Ended 31 December 2013 £	Year Ended 31 December 2012 £
TURNOVER		2,000	2,000
Cost of sales		1,027	(5)
GROSS PROFIT		3,027	1,995
Administrative expenses		(2,400)	(2,800)
OPERATING PROFIT/(LOSS)	2	627	(805)
Interest receivable and similar income	3	154,077	306,813
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		154,704	306,008
Tax on profit on ordinary activities	4	—	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	10	154,704	306,008

Movements in reserves are shown in Note 10 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

There were no recognised gains and losses for the year ended 31 December 2013 or the year ended 31 December 2012 other than those included in the profit and loss account.

The Notes on pages 7 to 11 form an integral part of these financial statements.

CANARY WHARF INVESTMENTS (FOUR) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2013

	Note	31 December 2013 £	31 December 2012 £
FIXED ASSETS			
Tangible assets	6	35,000	35,000
CURRENT ASSETS			
Debtors	7	40,655,497	40,810,794
CREDITORS: Amounts falling due within one year	8	(2,399)	(2,400)
NET CURRENT ASSETS		40,653,098	40,808,394
TOTAL ASSETS LESS CURRENT LIABILITIES		40,688,098	40,843,394
NET ASSETS		40,688,098	40,843,394
CAPITAL AND RESERVES			
Called-up share capital	9	40,483,165	40,483,165
Profit and loss account	10	204,933	360,229
SHAREHOLDERS' FUNDS	11	40,688,098	40,843,394

The Notes on pages 7 to 11 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 5 AUGUST 2014 AND SIGNED ON ITS BEHALF BY:



R J J LYONS
DIRECTOR

CANARY WHARF INVESTMENTS (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

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

Having made the requisite enquiries and assessed the resources at the disposal of the company, the directors have a reasonable expectation that the company will have adequate resources to continue its operation for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

In accordance with the provisions of FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement, as it is a wholly-owned subsidiary of Canary Wharf Group plc, which has prepared a consolidated cash flow statement.

Turnover

Turnover represents rents receivable net of VAT and is recognised on an accruals basis in the period in which the rents become due.

Interest receivable and interest payable

Interest receivable and payable are recognised on an accruals basis in the period in which they fall due.

Dividends

Dividend distributions to the company's shareholders are recognised in the financial statements in the period in which the dividends are paid or approved by the company's shareholders.

Investment properties

Investment properties are revalued annually and in accordance with SSAP 19 (Accounting for Investment Properties) no provision is made for depreciation. This departure from the requirements of the statutory accounting rules, which requires all properties to be depreciated is, in the opinion of the directors, necessary for the accounts to show a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and the amount attributable to this factor is not capable of being separately identified or quantified. Surpluses or deficits are transferred to the revaluation reserve, unless a deficit exceeds previous surpluses recognised on the same property, in which case the excess is charged to the profit and loss account.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account in the period in which the rents become due.

CANARY WHARF INVESTMENTS (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

Trade and other debtors

Debtors are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor concerned.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	Year Ended 31 December 2013 £	Year Ended 31 December 2012 £
Operating lease rentals	5	5
Remuneration of the auditor:		
Audit fees for the audit of the company	2,000	2,000

None of the directors received any emoluments in respect of their services to the company during the year or the prior year.

No staff were employed by the company during the year or the prior year.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2013 £	Year Ended 31 December 2012 £
Interest receivable from group undertakings	<u>154,077</u>	<u>306,813</u>

4. TAXATION

	Year Ended 31 December 2013 £	Year Ended 31 December 2012 £
Tax reconciliation:		
Profit on ordinary activities before tax	<u>154,704</u>	<u>306,008</u>
Tax on profit on ordinary activities at UK corporation tax rate of 23.25% (2012: 24.5%)	35,969	74,972
Effects of:		
Group relief	<u>(35,969)</u>	<u>(74,972)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

CANARY WHARF INVESTMENTS (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

The tax rate of 23.25% has been calculated by reference to the current corporation tax rate of 23% which was in effect for the final three quarters of the year and the previous rate of 24% which was in effect for the first quarter of the year.

No provision for corporation tax has been made since the taxable profit for the year will be covered by the group relief expected to be made available to the company by other companies in the group. No charge will be made by other group companies for the surrender of group relief. There is no unprovided deferred taxation.

5. DIVIDENDS

	Year Ended 31 December 2013 £	Year Ended 31 December 2012 £
Dividends paid during the year (0.50 pence per share) (2012: 0.71 pence per share)	<u>310,000</u>	<u>440,000</u>

6. TANGIBLE FIXED ASSETS

	Leasehold Investment Property £
COST	
At 1 January 2013 and 31 December 2013	<u>50,000</u>
PROVISION	
At 1 January 2013	<u>15,000</u>
At 31 December 2013	<u>15,000</u>
NET BOOK VALUE	
At 31 December 2013	<u>35,000</u>
At 31 December 2012	<u>35,000</u>

As at 31 December 2013 the company's leasehold property interest was valued by the group's external property advisers, CB Richard Ellis Limited, Surveyors and Valuers, on the basis of Market Value in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors. No allowance was made for any expenses of realisation nor for any taxation which might arise in the event of disposal.

CANARY WHARF INVESTMENTS (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

7. DEBTORS

	31 December 2013 £	31 December 2012 £
Loans to fellow subsidiary undertakings	39,576,709	39,732,632
Amount owed by fellow subsidiary undertaking	1,078,788	1,078,162
	<u>40,655,497</u>	<u>40,810,794</u>

Loans to fellow subsidiary undertakings carry interest at a rate linked to LIBOR and are repayable on demand.

8. CREDITORS: Amounts falling due within one year

	31 December 2013 £	31 December 2012 £
Accruals and deferred income	<u>2,399</u>	<u>2,400</u>

9. CALLED-UP SHARE CAPITAL

	31 December 2013 £	31 December 2012 £
Allotted, called-up and fully paid:		
100 deferred ordinary shares of £1 each	100	100
62,283,196 ordinary shares of \$1 each	<u>40,483,065</u>	<u>40,483,065</u>

The holders of the deferred ordinary shares are entitled to a restricted participation in the profits or assets of the company and do not have any right to attend and vote at any general meetings.

10. RESERVES

	Profit and loss account £
At 1 January 2013	360,229
Profit for the year	154,704
Dividends	(310,000)
At 31 December 2013	<u>204,933</u>

CANARY WHARF INVESTMENTS (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2013 £	31 December 2012 £
Opening shareholders' funds	40,843,394	40,977,386
Profit for the year	154,704	306,008
Dividends paid	(310,000)	(440,000)
Closing shareholders' funds	<u>40,688,098</u>	<u>40,843,394</u>

12. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

The company has annual commitments of £5, which expire after more than five years, in respect of operating leases on land and buildings.

13. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company's immediate parent undertaking is CWE SPV HCo Limited.

As at 31 December 2013, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group plc. The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Songbird Estates plc, the ultimate parent undertaking and controlling party. Copies of the financial statements of both companies may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 allowing the company not to disclose related party transactions with respect to other group companies.