



CANARY WHARF  
GROUP PLC

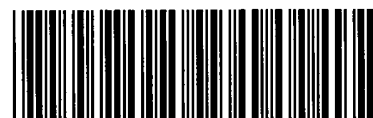
## **CWCB FINANCE LEASING (DS7B) LIMITED**

Registered number: 3025274

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

FRIDAY



\*A793062Q\*

A36

29/06/2018

#313

COMPANIES HOUSE

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **CONTENTS**

	Page
<b>Directors' Report</b>	<b>1</b>
<b>Directors' Responsibilities Statement</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>3 - 5</b>
<b>Statement of Comprehensive Income</b>	<b>6</b>
<b>Statement of Financial Position</b>	<b>7</b>
<b>Statement of Changes in Equity</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9 - 14</b>

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

In preparing this report, the directors have taken advantage of the small companies exemptions.

#### **PRINCIPAL ACTIVITY**

The company holds a 125 year pass through interest in floors 36-49 of One Canada Square, Canary Wharf subject to a finance lease.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £NIL (2016 - £NIL).

No dividends have been paid or proposed for the year (2016 - £NIL).

#### **DIRECTORS**

The directors who served during the year were:

A Peter Anderson II (appointed 13 February 2017)  
Sir George Iacobescu CBE (appointed 13 February 2017)  
R J J Lyons  
P Stallard (resigned 31 December 2017)

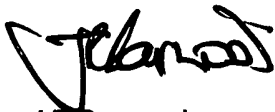
The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2017 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.

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 25 June 2018 and signed on its behalf.



**J R Garwood**  
Secretary

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting 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;
- 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 to 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.

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CWCB FINANCE LEASING (DS7B) LIMITED**

#### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

##### **OPINION**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 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.

We have audited the financial statements of CWCB Finance Leasing (DS7B) Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

##### **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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

##### **OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CWCB FINANCE LEASING (DS7B) LIMITED**

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 respect of these matters.

#### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the directors' responsibilities statement, 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **USE OF OUR 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.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

##### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

**CWCB FINANCE LEASING (DS7B) LIMITED**

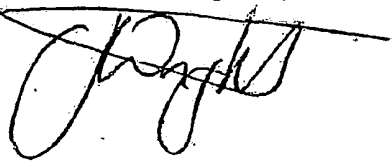
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CWCB FINANCE LEASING (DS7B) LIMITED**

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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 directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



James Wright FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
25 June 2018

**CWCB FINANCE LEASING (DS7B) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover		190,587	190,587
Cost of sales		(190,587)	(190,587)
<b>GROSS PROFIT</b>		-	-
Interest receivable and similar income	6	668,361	1,006,773
Interest payable and similar charges	7	(668,361)	(1,006,773)
<b>PROFIT BEFORE TAX</b>		-	-
Tax on profit	8	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		-	-

The notes on pages 9 to 14 form part of these financial statements.

**CWCB FINANCE LEASING (DS7B) LIMITED**  
**REGISTERED NUMBER: 3025274**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due after more than one year	9	102,088,450	103,454,629
Debtors: amounts falling due within one year	9	40	-
Cash at bank and in hand		5	157,150
		<u>102,088,495</u>	<u>103,611,779</u>
Creditors: amounts falling due within one year	10	(101,937,432)	(103,460,716)
<b>NET CURRENT ASSETS</b>		<u>151,063</u>	<u>151,063</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>151,063</u>	<u>151,063</u>
<b>NET ASSETS</b>		<u><u>151,063</u></u>	<u><u>151,063</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1,000	1,000
Retained earnings		<u>150,063</u>	<u>150,063</u>
		<u><u>151,063</u></u>	<u><u>151,063</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 June 2018.

  
**R J J Lyons**  
 Director

The notes on pages 9 to 14 form part of these financial statements.

**CWCB FINANCE LEASING (DS7B) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2017	1,000	150,063	151,063
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-
<b>AT 31 DECEMBER 2017</b>	<u>1,000</u>	<u>150,063</u>	<u>151,063</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2016	1,000	150,063	151,063
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-
<b>AT 31 DECEMBER 2016</b>	<u>1,000</u>	<u>150,063</u>	<u>151,063</u>

The notes on pages 9 to 14 form part of these financial statements.

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **1. GENERAL INFORMATION**

CWCB Finance Leasing (DS7B) Limited is an English Limited Company registered at One Canada Square, Canary Wharf, London, E14 5AB.

The nature of the company's operations and its principal activities are set out in the Directors' Report.

#### **2. ACCOUNTING POLICIES**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value and in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland").

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see Note 3).

The principal accounting policies have been applied consistently throughout the year and the preceding year and are summarised below:

##### **2.2 Going concern**

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.

##### **2.3 Cash flow statement**

The company has taken the exemption from preparing the cash flow statement under Section 1.12(b) as it is a member of a group where the parent of the group prepares publicly available consolidated accounts which are intended to give a true and fair view.

##### **2.4 Revenue**

Rental income from operating leases is recognised in the Income Statement on a straight-line basis over the term of the lease. Lease incentives granted, including rent free periods, are recognised as an integral part of the net consideration for the use of the property and are therefore also recognised on the same straight line basis. Direct costs incurred in negotiating and arranging new leases are also amortised on the same straight line basis. An adjustment is made to ensure that the carrying value of the related property, including the accrued rent, amortised lease incentives and negotiation costs, does not exceed the external valuation.

## **CWCB FINANCE LEASING (DS7B) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.5 Financial instruments**

The directors have taken advantage of the exemption in paragraph 1.12c of FRS 102 allowing the company not to disclose the summary of financial instruments by the categories specified in paragraph 11.41.

##### **Borrowings**

Loans payable are recognised initially at the net proceeds including transaction costs, unless the gross proceeds do not represent the value of a financing transaction on an arm's length basis. In this case the present value of future payments discounted at a market rate of interest for a similar debt instrument is used in place of proceeds and the difference between the two amounts is accounted for as a capital contribution.

Subsequent to initial recognition, loans payable are stated at amortised cost with any difference between the amount initially recognised and the redemption value being recognised in the Income Statement over the period of the loan, using the effective interest method.

Where loans are subject to contractual terms and arrangements that are non-standard they are recognised initially at fair value. The fair value is assessed as the present value of most likely cash flows, subject to the limitations of the underlying terms. Any movements are recognised in the income statement.

##### **2.6 Finance lease agreements: lessor**

Assets leased out under finance leases are recognised as receivables at the amount equal to the present value of the minimum lease payments and any residual interest accruing to the lessor. The total finance income is allocated to accounting periods over the lease term so as to produce a constant periodic return on the remaining balance of the receivable for each accounting period.

##### **2.7 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.

## CWCB FINANCE LEASING (DS7B) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

##### Valuation of intercompany debt

In assessing the carrying value of the non-standard loans, the company forecasts the present value of the most likely contractual cash flows of the underlying instrument. Estimates and judgments are made in the timing and quantum of the cash flows, the discount rate applied as well as the impact of the underlying terms that can be triggered in the agreements to change the cash flows. These assessments are reviewed and amended annually.

#### 4. AUDITOR'S REMUNERATION

Auditor's remuneration of £800 (2016 - £800) for the audit of the company has been borne by another group undertaking.

#### 5. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

#### 6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £	2016 £
Finance lease income from fellow subsidiary undertaking	668,361	1,006,773
	<u>668,361</u>	<u>1,006,773</u>

#### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £	2016 £
Loans from group undertakings	668,361	1,006,773
	<u>668,361</u>	<u>1,006,773</u>

**CWCB FINANCE LEASING (DS7B) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**8. TAXATION**

	2017 £	2016 £
Current tax on profits for the year	-	-
<b>TOTAL CURRENT TAX</b>	-	-
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	-	-

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

No charge for taxation has been made since the company recorded neither a profit or loss, for tax purposes, for the year.

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The standard rate of corporation tax payable reduced from 20.0% to 19.0% with effect from 1 April 2015.

Enacted in the Finance Act (No.2) 2015 is a reduction in the corporation tax rate to 17.0% on 1 April 2020.

**9. DEBTORS**

	2017 £	2016 £
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Finance lease receivables	102,088,450	103,454,629
	<u>102,088,450</u>	<u>103,454,629</u>
	2017 £	2016 £
<b>DUE WITHIN ONE YEAR</b>		
Amounts owed by group undertakings	40	-
	<u>40</u>	<u>-</u>

# **CWCB FINANCE LEASING (DS7B) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

The amount at which finance lease receivables are stated comprises:

	2017 £	2016 £
At 1 January	103,454,629	104,699,555
Finance lease rents received	(2,034,540)	(2,251,699)
Finance lease income	668,361	1,006,773
<b>At 31 December</b>	<b>102,088,450</b>	<b>103,454,629</b>

The company's finance lease receivables are from a fellow subsidiary undertaking.

Amounts owed by group undertakings are interest free and repayable on demand.

### **10. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Amounts owed to group undertakings	101,937,432	103,460,716
	<u>101,937,432</u>	<u>103,460,716</u>

Amounts owed to group undertakings consist of the following:

	2017 £	2016 £
Amounts owed to fellow subsidiary undertakings	45	157,150
Loan from fellow subsidiary undertaking	101,937,387	103,303,566
	<u>101,937,432</u>	<u>103,460,716</u>

The loan from a fellow subsidiary undertaking bears interest at a rate 10%, subject to certain caps, and is repayable on demand.

Other amounts due to group undertakings are interest free and repayable on demand.

## CWCB FINANCE LEASING (DS7B) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

#### 11. SHARE CAPITAL

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### 12. OTHER FINANCIAL COMMITMENTS

As at 31 December 2017 and 31 December 2016 the company had given fixed and floating charges over substantially all its assets to secure the commitments of certain other group undertakings.

The company has annual commitments of £190,587, which expire after more than five years, in respect of operating leases on land and buildings.

#### 13. POST BALANCE SHEET EVENTS

On 29 March 2018, Stork Holdings Limited, a direct subsidiary of Stork HoldCo L.P., listed its shares on The International Stock Exchange in Jersey and the group headed by Stork Holdings Limited, which includes the company, converted to a REIT.

#### 14. CONTROLLING PARTY

Until 28 February 2018, the company's immediate parent undertaking was Canary Wharf Holdings Limited. On that day, the shares in the company were transferred to Canary Wharf Investments Limited, a subsidiary of Canary Wharf Holdings Limited.

As at 31 December 2017, 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 Investment Holdings plc. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Stork HoldCo LP, an entity registered in Bermuda and the ultimate parent undertaking and controlling party. Stork HoldCo LP is registered at 73 Front Street, 5th Floor, Hamilton HM12, Bermuda.

Stork HoldCo LP is controlled as to 50% by Brookfield Property Partners LP and as to 50% by Qatar Investment Authority.

The directors have taken advantage of the exemption in paragraph 33.1A of FRS 102 allowing the company not to disclose related party transactions with respect to other wholly-owned group companies.