

**CANARY WHARF (DS5) LIMITED**  
**Registered Number: 3719075**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**



# **CANARY WHARF (DS5) LIMITED**

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# **CANARY WHARF (DS5) LIMITED**

## **THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009**

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The directors present their report with the audited financial statements for the year ended 31 December 2009. This report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

### **BUSINESS REVIEW AND PRINCIPAL ACTIVITIES**

The company is a wholly owned subsidiary of Canary Wharf Group plc and its ultimate parent undertaking is Songbird Estates plc.

The principal activity of the company is to act as an investment holding company.

As shown in the company's profit and loss account, the company's profit after tax for the year was £1,243 (2008 £26,965).

The balance sheet shows the company's financial position at the year end and indicates that net assets were £1,244 (2008 £90,374). Details of amounts owed to group companies are shown in Note 9.

There have been no significant events since the balance sheet date.

### **DIVIDENDS AND RESERVES**

The profit and loss account for the year ended 31 December 2009 is set out on page 6. Dividends of £90,373 (2008 £100,000) have been paid during the year and the retained loss of £89,130 (2008 loss of £73,035) has been transferred from reserves.

### **GOING CONCERN**

The company's business activities, together with the factors likely to affect its future development, performance and position, are set out in this Directors' Report. The finances of the company and its liquidity position and borrowings are, where appropriate, also described in this report.

The company is in a net asset position at the year end. In addition, as a member of the Canary Wharf Group, the company has access to considerable resources.

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

### **DIRECTORS**

The directors of the company throughout the year ended 31 December 2009 were

A P Anderson II  
G Iacobescu  
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 2009 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.

# **CANARY WHARF (DS5) LIMITED**

## **THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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 auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditors are 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



J R Garwood

Company Secretary

12 August 2010

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

Registered Number 3719075

## **CANARY WHARF (DS5) LIMITED**

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

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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 estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, 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 proper accounting records that 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.

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# **CANARY WHARF (DS5) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF (DS5) LIMITED**

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We have audited the financial statements of Canary Wharf (DS5) Limited for the year ended 31 December 2009 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 auditors' 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 auditors**

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. Our responsibility is to audit 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 (APB'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.

### **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 2009 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.

### **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.

## **CANARY WHARF (DS5) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF (DS5) LIMITED**

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#### **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 directors' report



**Richard Muschamp (Senior Statutory Auditor)**  
**for and on behalf of Deloitte LLP**  
**Chartered Accountants and Statutory Auditors**  
London, UK

12 August 2010

# CANARY WHARF (DS5) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Year Ended 31 December 2009 £	Year Ended 31 December 2008 £
<b>OPERATING PROFIT</b>	<b>2</b>	—	—
Income from shares in group undertakings		—	1,000
Interest receivable and similar income	<b>3</b>	1,243	167,511
Interest payable and similar charges	<b>4</b>	—	(141,546)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,243	26,965
Tax on profit on ordinary activities	<b>5</b>	—	—
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR</b>	<b>11</b>	1,243	26,965

Movements in reserves are shown in Note 11 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 2009 or the year ended 31 December 2008 other than those included in the profit and loss account

The Notes on pages 8 to 12 form an integral part of these financial statements



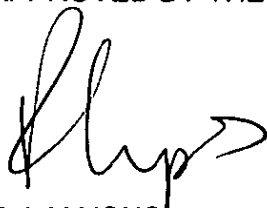
# CANARY WHARF (DS5) LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2009

	Note	31 December 2009 £	31 December 2008 £
<b>FIXED ASSETS</b>			
Investments	7	3	3
<b>CURRENT ASSETS</b>			
Debtors	8	1,244	90,375
<b>CREDITORS: Amounts falling due within one year</b>	9	(3)	(4)
<b>NET CURRENT ASSETS</b>		1,241	90,371
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,244	90,374
<b>NET ASSETS</b>		1,244	90,374
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	10	1	1
Profit and loss account	11	1,243	90,373
<b>SHAREHOLDERS' FUNDS</b>	12	1,244	90,374

The Notes on pages 8 to 12 form an integral part of these financial statements

APPROVED BY THE BOARD ON 12 AUGUST 2010 AND SIGNED ON ITS BEHALF BY



R J J LYONS  
DIRECTOR

# **CANARY WHARF (DS5) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **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. The financial statements have been prepared on the going concern basis as described in the Directors' Report.

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.

#### **Interest receivable and interest payable**

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

#### **Income from investments**

Investment income comprises dividends paid by subsidiary undertakings during the accounting period.

#### **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.

#### **Investments**

Investments in subsidiaries are stated at cost less any provision for impairment.

#### **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.

#### **Trade and other creditors**

Trade and other creditors are stated at cost.

#### **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. The company is part of a UK group for group relief purposes and accordingly may take advantage of the group relief provisions whereby current taxable profits can be offset by current tax losses arising in other companies in that group. The group's policy is that no payment will be made for tax losses surrendered under the group relief provisions.

# CANARY WHARF (DS5) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 2. OPERATING PROFIT

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

Auditors' remuneration of £100 (2008 £100) for the audit of the company has been borne by another group undertaking

### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2009 £	Year Ended 31 December 2008 £
Interest receivable from group undertakings	<u>1,243</u>	<u>167,511</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2009 £	Year Ended 31 December 2008 £
Interest payable to group undertakings	<u>–</u>	<u>141,546</u>

### 5. TAXATION

	Year Ended 31 December 2009 £	Year Ended 31 December 2008 £
Current tax		
UK Corporation tax (see below)	<u>–</u>	<u>–</u>
Tax reconciliation		
Profit on ordinary activities before tax	<u>1,243</u>	<u>26,965</u>
Tax on profit on ordinary activities at UK corporation tax rate of 28% (2008 28.5%)	348	7,685
Effects of		
Tax losses and other timing differences	<u>(348)</u>	<u>(7,685)</u>
Current tax charge for the year	<u>–</u>	<u>–</u>

# CANARY WHARF (DS5) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

The tax rate for the prior year of 28.5% was calculated by reference to the current corporation tax rate of 28% which was in effect for the final three quarters of that year and the previous rate of 30% which was in effect for the first quarter of that 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.

### 6. DIVIDENDS

	Year Ended 31 December 2009 £	Year Ended 31 December 2008 £
Dividends paid during the year (£90,373 per share) (2008: £100,000 per share)	90,373	100,000

### 7. INVESTMENTS

#### Shares in group undertakings

At 1 January 2009	£ 3
At 31 December 2009	3

At 31 December 2009 the company's subsidiary undertakings were as follows:

Name	Description of shares held	Principal activities
Canary Wharf (DS5) T1 Limited	Ordinary £1 share	Trustee Company
Canary Wharf (DS5) T2 Limited	Ordinary £1 share	Trustee Company
Canary Wharf Leasing (DS5) Limited	Ordinary £1 share	Property Investment

The above are wholly owned subsidiaries registered in England and Wales.

Dividends totalling £1,000 were paid by the company's subsidiary during the prior year.

In accordance with Section 400 of the Companies Act 2006, financial information is only presented in these financial statements about the company as an individual undertaking and not about its group because the company and its subsidiary undertakings are included in the consolidated financial statements of a larger group (Note 13).

The directors are of the opinion that the value of the company's investments at 31 December 2009 was not less than the amount shown in the company's balance sheet.

# CANARY WHARF (DS5) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 8. DEBTORS

	31 December 2009	31 December 2008
	£	£
Amount owed by parent undertaking	1	1
Loan to fellow subsidiary undertaking	—	89,374
Amount owed by fellow subsidiary undertaking	1,243	1,000
	<u>1,244</u>	<u>90,375</u>

The loan to a fellow subsidiary undertaking carried interest at a rate linked to LIBOR and was repaid during the year

### 9. CREDITORS: Amounts falling due within one year

	31 December 2009	31 December 2008
	£	£
Amounts owed to subsidiary undertakings	3	3
Amount owed to fellow subsidiary undertaking	—	1
	<u>3</u>	<u>4</u>

### 10. CALLED-UP SHARE CAPITAL

#### Authorised share capital

	31 December 2009	31 December 2008
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

#### Allotted, called up and fully paid:

	31 December 2009	31 December 2008
	£	£
1 Ordinary share of £1	<u>1</u>	<u>1</u>

# CANARY WHARF (DS5) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 11. RESERVES

	Profit and loss account £
At 1 January 2009	90,373
Profit for the year	1,243
Dividends	(90,373)
At 31 December 2009	<u>1,243</u>

### 12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2009 £	31 December 2008 £
Opening shareholders' funds	90,374	163,409
Profit for the year	1,243	26,965
Dividends paid	(90,373)	(100,000)
Closing shareholders' funds	<u>1,244</u>	<u>90,374</u>

### 13. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company's immediate parent undertaking is Canary Wharf Holdings (DS5) Limited

As at 31 December 2009, 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.